

APRIL 1, 1933

APR - 6 1933

The Magazine for
MARKETING EXECUTIVES

SALES *management*

**Straight Commission
for Everybody Puts
Monarch Typewriters
Over During Off-year**

By Walter Drey
Walter Drey Organization



**How 20 Firms Are
Capitalizing the New
Public Confidence . . .**

TWENTY CENTS

To Sell a Dollar's Worth of Steam Shovels

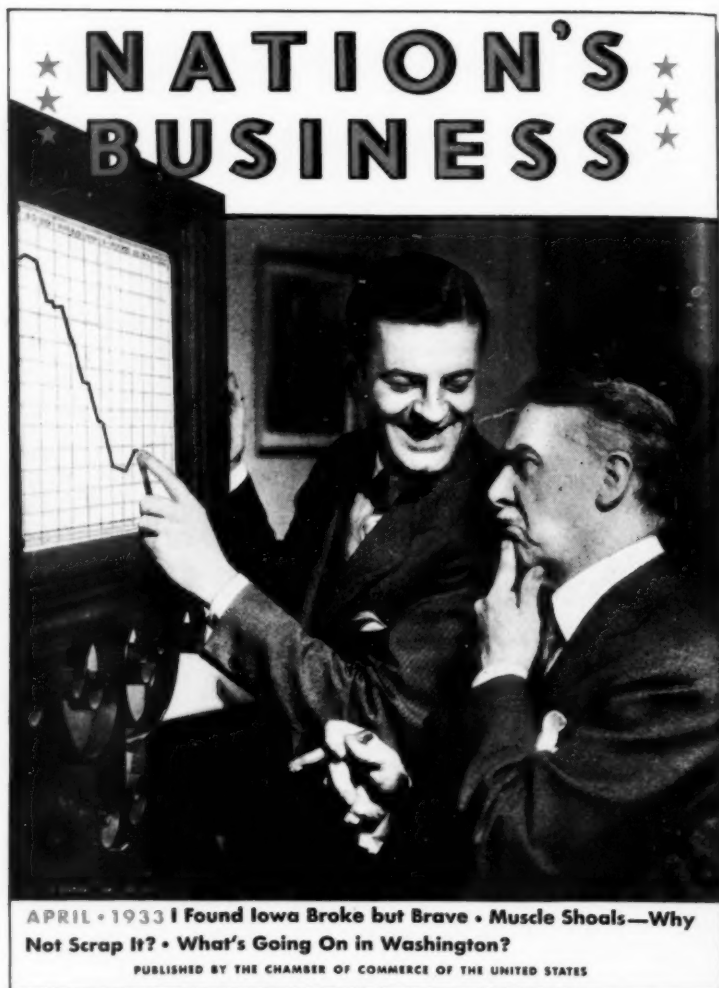
First Find a Man With a Dollar

To sell a dollar's worth of any kind of merchandise now, your first job is to find the man with a dollar. Not to interest great masses of men; not to create desires; not to whet sated appetites—but just to find, among the millions who want and need your merchandise, the thousands who have the money to buy.

Needs, desires—the elements that made markets in 1929, still are everywhere. But the markets are not there. Sales and advertising plans of 1929 won't produce sales in 1933. Today's sales job is a job of selection. To be profitable, advertising and sales effort must be placed against families and factories that have the money to buy.

Every motor car salesman knows a dozen families who need new cars; every industrial sales manager knows a hundred factories that need new equipment. To find among the dozen, the one family with enough regular income to pay for a car; to find the ten factories in a hundred that can afford new equipment; that's the first part of today's sales job.

That part is done for you when you advertise in Nation's Business. By concentrating your advertising on the Nation's



Business audience, you are putting your sales effort against a market of more than a quarter million active business men—a market that can buy, is buying and will continue to buy throughout 1933. Nation's Business alone offers such a large selected market, with coverage of enough executives, directors, bankers and others to reach all the buying factors. It's because the market is rich and the coverage adequate that advertisers continue to find Nation's Business a profitable medium.

NATION'S BUSINESS

Merle Thorpe



Editor

WASHINGTON, D. C.

E. V. THOMPSON
Graybar Building

Director of Advertising
New York

Mr. Wright Advises a WEDGE



Statement of Mr. J. Graham Wright, president, Joseph Tetley & Co., Inc., . . .
"watch how one man can move even a heavily laden freight-car, WHEN he gets his wedge into the RIGHT SPOT" . . .

WE AGREE. The Law of the Lever is as good today as it was in the time of Archimedes . . .

Given the right lever and the right place to put it, he could still move the world.

But in America, 1933, it is of more importance to find the lever, the fulcrum, and the point of introduction that will move SALES.

Many have done it . . . are doing it.

They have found that certain markets will respond, in this or any other year, when the unrelenting pressure of powerful newspapers is exerted in markets that are able to respond in terms of purchasing power.

The Rodney E. Boone Organization represents 27 of the Hearst newspapers whose plan of operation is built around the potent, result-producing premises of Cooperation . . . not alone through exerting store-door pressure upon merchants, but upon finding the proper merchants in the proper markets, as well . . .

THE BOONE MAN REPRESENTS 27 HEARST NEWSPAPERS

DAILY

New York Journal
 Albany Times-Union
 Syracuse Journal
 Rochester Journal
 Los Angeles Examiner

Boston American
 Baltimore News
 Washington Herald
 Washington Times
 San Francisco Examiner

Atlanta Georgian
 Chicago American
 Detroit Times
 Omaha Bee-News
 Seattle Post-Intelligencer

SUNDAY

Boston Advertiser
 Albany Times-Union
 Syracuse American
 Los Angeles Examiner

Rochester American
 Detroit Times
 Omaha Bee-News
 San Francisco Examiner

Baltimore American
 Washington Herald
 Atlanta American
 Seattle Post-Intelligencer

CALL THE  BOONE MAN

RODNEY E. BOONE ORGANIZATION

A UNIT OF
 HEARST ADVERTISING SERVICE
 New York

Boston	Chicago	Detroit	Philadelphia
Rochester	Cleveland	Atlanta	San Francisco
	Los Angeles	Seattle	

ANNOUNCEMENT

The E. Katz Special Advertising Agency has prepared a summary of Census statistics for all cities of 10,000 population and more, entitled "NINE HUNDRED AND FIFTY-FOUR CITIES". An unexpected response to its Census summary for cities of 100,000 and more, published in December and reviewed on this page, persuaded the E. Katz Special Advertising Agency to issue this more extensive Census summary.

"NINE HUNDRED AND FIFTY-FOUR CITIES" is a statistical portrait of the urban consumer market in America and includes for every city of 10,000 population and over some twenty indices under the following headings: population, families, value and tenure of homes, retail and wholesale sales, radio sets, wired homes, income tax returns.

In addition, "NINE HUNDRED AND FIFTY-FOUR CITIES" includes state totals and urban state totals for each of these sets of indices and a list of the 954 cities, from the largest, New York, N. Y., to the smallest, Fort Thomas, Ky., arranged in order of population, showing population and retail sales for each city.

The price is \$3.00 a copy. Orders are now being received. By writing on your business stationery, you may receive a copy on five days' approval. If it disappoints you, you can return it without cost. Address E. Katz Special Advertising Agency, 500 Fifth Avenue, New York City.

You have an audience!

Camp and Health Education Directors as well as all the leaders of the Y.W.C.A.'s are waiting to hear what you have to offer in the way of camp supplies and equipment. They need your help in providing for over 100,000 girls who will travel to their camps this summer.

The CAMP and HEALTH EDITION

offers you an opportunity of addressing your audience. We also have their names and addresses in order that you can write to them, but we must have word from you by April 15, so arrangements can be made.

THE WOMANS PRESS

600 Lexington Avenue

New York, N. Y.

DOROTHY PUTNEY, Adv. Manager
PLaza 3-4700

Survey of Surveys

BY WALTER MANN

4th Study of Radio Network Popularity

Price, Waterhouse & Company, noted public accountants, auditors of all sorts and conditions of men's affairs—from the recent fast-moving check-up of the Kreuger debacle to the more recent and equally fast-moving progress of Columbia Broad-

casting System to its present place in the sun—have gone and done it again! By done it again, S. O. S. means that this noted firm has just completed what is aptly called the "4th Study of Radio Network Popularity." This study consisted of the mailing, under carefully guarded conditions, of 212,500 questionnaires to telephone-subscribing homes in 80 cities in quantities pro-rated to population, asking two simple questions: 1. "What radio system do you listen to most?" and 2. "What other station or stations do you listen to regularly?"

In Paul Kesten's inimitable pictorial style, the facts of this super-survey are being placed before some five to ten thousand men important in the influencing of radio broadcasting station selection, and Columbia, it appears, wins again! This substantiating the three previous similar annual surveys.

The constantly shifting conditions confronting radio broadcasting, as well as radio ownership, necessitate regular check-ups such as these. (A million new homes owned radio sets for the first time in 1932, the foreword says, while more than a million homes have replaced old sets with new, thus changing, to some degree, at least, their listening habits. Twelve new super-power stations have been installed—ten of them Columbia's. Hence the necessity for these annual contributions to the foot plodding of Uncle Sam's boys in gray).

Sales Map with a Million Pins

Paul says graphically that it would take a million pins, stuck into 80 giant city maps from coast to coast, to picture the extent of this cumulative portrayal of radio network popularity. Now that's a lot of pins out of anyone's pincushion, so we'll concede the adequacy of the sample. And since there has been no important shift in audit method used since its inception, it will be unnecessary to describe this method here (see previous reviews in previous years). Suffice it to say that the method has stood up under several years of strenuous sharpshooting and still has the backing of three excellent students of the subject, i. e., Dr. Robert Riegel, Professor Robert H. Elder and Herman S. Hettinger, M.A., as well as the indirect confirmation of its results by many a research organization, among them that of your good old column-

ist, i. e., Walter Mann & Staff.

The only important change that we have been able to note (outside of the 19 new firsts gained by Columbia, the 3 new firsts by the Red Network and the 9 firsts lost by the Blue) is an improvement. It lies in the method of presentation. Instead of the tables on "audience preference" and "audience size" (in terms of per cents) being separated, they are combined in one table in this latest report. Congratulations on a move toward simplification, Columbia! Congratulations also on the minimizing of the news on the population differentials between the cities where Columbia wins and those where the Blue or Red Network (which never meant much to S. O. S.). The less the fact-finding fraternity do in the editing of research figures, the better we are satisfied. Straight facts leave something for the sales representatives to do besides just grunt and point.

First in Audience Preference

And the congratulations don't stop there! More of them on the achievement of 51 out of 80 firsts in audience preference, when compared with the Blue Network, plus 6 ties for first, and only 23 seconds. And your record of gains in popularity in 55 out of 80 stations is not to be sneezed at either. In percentage of regular listeners you don't show up quite as well (43 firsts, 13 ties and 25 seconds), but still you're way out in front. Nor do you in audience preference, in comparison with the Red Network (46 firsts, 1 tie for first, and 33 seconds), nor in percentage of regular listeners (37 firsts, 15 ties for first, and 28 seconds), but you *do* lead convincingly in comparison with either network, and that's what they buy on nowadays, isn't it? Which ought to be very comforting, these days!

The balance of the 45 pages of this handsomely printed, beautifully bound book is devoted to boisterous boasting about CBS's leadership in New York City, Philadelphia, St. Louis, Minneapolis, Boston, Louisville, New Orleans, Salt Lake City, Spokane, Hartford and Norfolk. Also to a comparative discussion of current methods of measuring station and network popularity, viz: (1) the "Complete Program-Roster" method, i. e., that of submitting complete lists of day-by-day programs to a group of typical responders in a series of interviews; (2) the "Program Memory" method with which Walter Mann & Staff so violently disagree because of the provable memory error which appears in every good-sized test of this method; (3) the "Round-the-Clock" method of telephone interviewing, asking what program a given radio owner is listening to at the time the telephone bell rings (which S. O. S. and his staff strongly sponsor and on which they have made upward of 60,000 calls to date, confirming the findings), etc. Their degrees of agreement or difference with the famous Price, Waterhouse method are shown, etc., etc., etc. You'll want a copy if you're at all interested in radio. Send your request directly to this column, or to Paul Kesten, Columbia Broadcasting System, 485 Madison Avenue, New York City.



Pirie MacDonald
Walter Mann

A phone call or letter to the nearest Boone Office or this newspaper will bring *The Boone Man and the Manual* in prompt response to any responsible request for further information.



LOOMING LARGER

As the rising economic sun brightens the business scene, "A Manual for Sales Control of the Chicago Market and Other Market Areas" looms larger in importance to sales executives. For in such giant markets as Chicago the fruits of recovery will ripen quickest, organizations using

this master sales tool will reap the earliest, richest harvest. Just as users of the Manual in the past have been aided in efficiently fitting sales activity and costs to narrowed opportunity, so in the future will they be guided in the sound expansion of sales effort geared to opportunity's growth.



A Century of Progress Exposition opens June 1 in Chicago—are you prepared to share in the added millions it will cause to be spent in this market?

CHICAGO AMERICAN

a good newspaper now in its TWELFTH YEAR
of circulation leadership in Chicago's evening field.

National Representatives: RODNEY E. BOONE ORGANIZATION

The Postman Whistles

Serious Comment on a Serious Effort

I THINK you have done a very fine thing in the publication of the symposium on "Plans for Speeding Economic Recovery in America." I am especially pleased with your summary of the various opinions, including your own. We need such a crystallization of thought before we can fully support a plan for recovery.

C. S. LOGSDON, *Professor of Marketing,
Michigan State College of Agriculture and Applied Science,
East Lansing, Michigan.*

WHILE I have not as yet had an opportunity to read it carefully, a hurried review prompts me to send you this note forthwith to say that I think you have made a splendid contribution to the thought on these all-important economic problems. If the subscribers to SALES MANAGEMENT receive nothing else during the year, their subscription price will be far more than earned by this supplement.

PHILIP D. REED, *Legal Division,
General Electric Company,
New York City.*

IN your special edition of March 15, entitled "Plans for Speeding Economic Recovery in America," you quote me as saying in my testimony before the Senate Finance Committee:

"There are only two ways of correcting the disparity between agricultural and industrial prices: (1) Raise agricultural prices, or (2) reduce industrial prices to the level of agricultural prices. Farm leaders consistently have urged the first method. Responsible leaders of labor have opposed them. . . ."

My statement was:

"Farm leaders consistently have urged the first method. Responsible leaders of labor have supported them. Most of our leaders in big business and finance have opposed them. . . ."

Under separate cover I am sending you a copy of the hearings before the Committee, and point to page 114 for confirmation of the above.

As this is a highly important error, likely to lead to misunderstanding between agriculture and labor, I will appreciate a correction in your next number.

GEORGE N. PEEK,
Washington, D. C.

MY breath was fairly taken away with the very fine constructive symposium entitled, "Plans for Speeding Economic Recovery in America," when I happened to notice that this was prepared in two sections and that I had been reading section II. We have made a diligent search of our office but do not find that we ever received section I. Will you kindly send it to us at once, and at the same time accept our congratulations on this excellent publication. Sometimes in an inquisitive mood we turn to a novel and read the last chapter first to find out whether the hero actually married the girl, but never before to our knowledge have we read the last part of a business paper first.

L. M. BRILE, *President,
Fairmont Aluminum Company,
Fairmont, West Virginia.*

(To head off any further similar misunderstandings, let us remind subscribers that section I was the regular issue of SALES MANAGEMENT for that date. Section II, "Plans for Speeding Economic Recovery in America," was complete in itself.—THE EDITORS.)

Trade Reports: Important—in Their Place

IN your February 1 issue you published an article entitled, "Sherwin-Williams Cuts Clerical Work of Salesmen; Seeks More 'Selling Time'". Your comment on this article leads me to believe that you are in sympathy with this move and that you endorse it, as you state:

"They (Sherwin-Williams) point out the folly of making bookkeepers out of men whose time is valuable only to the extent to which it is spent in the actual presence of buyers."

This was the belief some fifty years ago, but with the growth of large business and competition it became evident that salesmen should have some opportunity to post their sales executives as to conditions in the field (exclusive of orders); and experience has shown that without such means sales executives could only sit at their desks and guess. The trade report was inaugurated, and, based on an experience of forty-three years in one of the largest concerns in the country which has made full use of the trade report for building up their business, I am impelled to send you the enclosed article giving the other side of the picture: the results of experience, not theory.

G. H. KERR, *Sales Record Adviser,
E. I. duPont de Nemours & Company,
Wilmington, Delaware.*

(SM did not in any sense intend to disparage the value of sales records in the brief comment made with the Sherwin-Williams story. In fact, we are continuously printing articles showing how various companies have stepped up their sales efficiency by good record-keeping and efficient sales control methods. The fact must be recognized, however, that there are some companies that have excessively burdened their men with detail work, so that they have been robbed of too large a proportion of what should be productive selling time. The fact that it is now necessary to see from three to six times as many prospects per order as were seen in 1928 or '29 is basis enough for any chief executive's insistence that some way be found for the men to make more calls. A portion of Mr. Kerr's comment is printed below.—THE EDITORS.)

In the absence of the trade report there would be no evidence upon which to supply assistance to the salesman in answer to a specific need or take any other necessary offensive or defensive action. There would be no information upon which to base sales policy, offer advice or offset sales resistance. . . .

A rule is hardly a good one unless it will stand an extreme test. The idea of discontinuing entirely the use of trade reports, based on the foregoing, would argue that it would be just as logical to discontinue all types of records within a business organization, which, of course, would be impossible, since with such action things would be chaotic within a week. Therefore, since the logical line of report is considered so essential for certain units not nearly so important to the business as a sales unit, then a simple line of trade reports can be considered just as necessary as records in any other phase of an organization.

The present period, it may be argued by some, can be considered an emergency during which all possibilities for the saving of expense should be resorted to. The fact remains, however, that during an emergency period of this kind, most important field information or developments may arise, and that without a general line of report indicating the spread of such developments, a sales director would not be in a position to take combative action. Any saving of expense which prevents intelligent action is not an economy.

A system once established for the reporting of field data should not be interrupted, since forever in the future there will exist a disjointed record for the period of the discontinuance, and again the inconvenience and expense of reinstating such function at a later date must be considered.

Orders are not necessarily an index of sales effort. While in a summarized state, orders indicate the extent of gross business, either as applied to an individual salesman or representing the volume of business sold as a whole, still they do not reflect in any way the ingenuity required to secure the business, the sales resistance, the customer's attitude, the competitive strategy, and the presence of new products constantly attracting the attention of buyers. It can readily be visualized that without the constant flow of information spurring on a sales director to match his wits and ability with competitive directors, he could readily lapse into a state of quietude and complacency; and this would be quite natural, as in the absence of information to the contrary he could pat himself on the back and believe that all is well with his business.

The discontinuance of trade reports will by no means supply more selling time, since salesmen are not supposed to make out their trade reports during working hours but rather to make them out following the close of business, which is a generally accepted condition in the life of a salesman.—G. H. KERR.

SALES

management

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(Because of the financial disarrangements caused by the banking crisis in late February and early March, the list of Bright Spot Cities—a study of business activity as measured by bank debits—for February is omitted from this issue.)

Sales Letters

BY MAXWELL DROKE

The Rhythm of 1933 Letters

Some time ago, when the Depression and I were younger than we are today, I told a group of mail-order merchandising men, in convention assembled, that I believed we were entering a new era in business correspondence; counseled them to tone down their letters, if they would tone up their profits.

My diagnosis was partially inaccurate. I underestimated by several months the duration of what might be termed the "myth and mirage" phase of our economic recovery. For a longer period than I thought probable, the great mass of folk continued the mad, materialistic spree—the vain endeavor to recoup losses—which is an inevitable reaction of every depression.



Maxwell Droke

John J. Average clung to the belief that through some miraculous intervention the old order—his individual order, at least—would be restored, and he could once more occupy a spacious mansion on Easy Street.

But at long last, John J. has thrown away his rabbit's foot and quit tossing coins to the gypsy fortune teller. He no longer believes in financial fairies. And when you tell him of a "depression proof" proposition, or that Jones, of Iowa, made \$86.40 in four hours, he has ears but they hear not.

The change has come. The new psychology is upon us. And nowhere is it more evident than in the reaction to our letters. I have lately had occasion to check returns on a number of successful sales missives—and not a few flat failures. The trend is decidedly away from the old "high-pressure" forms—the short, snappy sentences and "crack-o'-the-whip" tempo. This is the era of "come, let us reason together." Longer letters, perhaps; and with a definitely slower rhythm.

How long will the new mode prevail? Your guess is as good as mine—and neither is worth very much.

* * *

From a recent mailing of Eastern Manufacturing Company, makers of Atlantic Bond, I quote this timely counsel: "A mailing list is not a picture—it is a procession. This year the procession is moving faster than ever. Unusual vigilance is required to keep your list up to date. . . . Check names for credit standing. A prospect who can't pay is much worse than one who won't buy. . . . Eliminate names of prospects who are not in a position to pay for your goods."

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope for reply.

Idea Buried Under Words

One of my correspondents sends me this letter which was despatched by Ditto, Inc., to all customers during the recent financial emergency:

"We want to help you meet a difficult condition in the present banking situation.

"The country has found it necessary to declare a banking moratorium. This makes it difficult for some concerns or individuals to finance needed purchases, a condition which may result seriously unless immediate measures are taken to prevent it.

"We, at Ditto, Incorporated, feel that established organizations and reputable individuals should not be prevented from making purchases and meeting their legitimate requirements because of conditions entirely outside of their control.

"Our business has been built on the confidence of our customers in our products and in our company, and we are glad to reciprocate at this time by indicating our confidence in our customers and their ultimate ability to pay.

"During this trying period we stand ready to extend to reputable concerns and individuals any reasonable accommodations necessary to carry them over this emergency. We want you to send us your orders just as always. We assure you that these orders will be filled and shipped promptly.

"We urge that other organizations, whose financial position permits, adopt this means of encouraging purchases and preventing general business stagnation. We have every confidence in the ultimate outcome and believe in taking care of our customers in the present emergency."

I commend the spirit which motivated this message, but I am inclined to agree with my correspondent that the writer was too long in getting to his point. After all, the meat of the letter is buried in the concluding sentence of the fifth paragraph. It should have been made the lead.

And the Female of the Species

One of my correspondents sends me a letter which he proposes sending to a list of present women customers. Briefly, the plan is to convert these customers into agents. A woman goes out and sells a dollar proposition to three of her friends, receiving in return an attractive premium.

In theory, this scheme has all of the profit potentialities of the well-known rat-and-cat farm. In practice, it rarely works.

The experience of manufacturers in trying to convert users into agents has been rather discouraging. The agent is a distinct species. Comparatively few persons care to undertake canvassing, even in a limited way—and still fewer make a go of it.

* * *

A depression-reared generation is becoming articulate. Sam Goldstein, department store executive, was telling me the other day that his young son, aged seven, recently inquired, "Daddy, can you remember when there was prosperity?"

A Yardstick for Prospects

I was very much interested in this recent sales promotion letter used by the Central Shoe Company, of St. Louis:

"Both Sales and Profits for the Jones Shoe Store (the name is fictitious but the figures are authentic), of Albany, New York, for the year 1932 were larger than 1931. In view of existing conditions this is rather a notable performance.

"Let us analyze this closely. Below we list figures taken from this store's operation statement for the year 1932:

	Jones	Your Store
Sales	\$26,338.79
Inventory (cost)	5,516.40
Merchandise sold (cost)	17,334.76
Gross Profits ...	9,004.03
Expenses	7,018.48
Net Profits	1,985.55

"It will be seen that the NET profit was \$1,985.55, or 7.5 per cent on net sales. The stock turn at cost was 3.1 times. A remarkable record, isn't it?"

The letter then proceeds to analyze the statement in detail and to explain how the Central Shoe Company can help other merchants to make a similar showing, through a comprehensive sales promotion program and method of merchandise control. It concludes by offering a Manual of Merchandising, which explains the operation of a stock record system.

This type of letter, producing actual facts and figures, is in great demand these days. The idea of leaving space for the merchant to set down comparative figures is a master stroke. The dealer has a perfectly human desire to see how he "stacks up" with the other fellow; to check his strong points and weaknesses. I mentioned a few weeks ago the condensed statement form which Eli Lilly & Company recently sent to druggists, inviting them to fill it out and return for a free analysis. Mr. Noel, of that company, tells me it is one of the most successful ideas they ever evolved.

* * *

I have heard, in the past fortnight, more talk of definitely scheduled direct mailings than I have encountered in many a moon. This is a good omen, and of course we are particularly anxious to report results obtained from current campaigns. If you have a success story to tell, now is the accepted time. And this is the place!

In 1932 Good Housekeeping was **FIRST** among women's magazines in the total number of advertising pages in each of the eight major classifications:



**FOOD
PRODUCTS**



**WEARING
APPAREL**



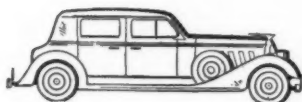
**BUILDING
MATERIAL**



**DRUG &
TOILET GOODS**



**FURNITURE &
FURNISHINGS**



**AUTO-
MOTIVE**



**HOUSEHOLD
EQUIPMENT**



GENERAL

This achievement represents the composite judgment of America's foremost advertisers... they know by sales Good Housekeeping's exceptional power to move merchandise of every kind that interests modern women. Use Good Housekeeping to move **YOUR** merchandise.

GOOD HOUSEKEEPING

Everywoman's Magazine

Significant Trends

As seen by the editors of Sales Management for the fortnight ending April 1, 1933:

• • • A few weeks ago the statistics of business—the car loadings, bank debits, power consumption, and the like—were better than *sentiment*, as confidence was lacking. Now the situation is reversed. The bank holidays dislocated all figures, but confidence spread like a tidal wave after the President's radio talk.

• • • It is possible that such a tidal wave may sweep everything before it and have the effect of expanding sales and corporation earnings even prior to the normal season of expansion.

• • • This would most certainly be true if commodity prices started up, but developments in March tended toward further deflation rather than reflation. Until the effect of the bank closings wears off there is little likelihood of a sustained price rise because too much distress merchandise is being offered for whatever it will bring, and too much credit has been withdrawn.

• • • Inflation, or "reflation," in order to have anything more than a momentary and sentimental lifting influence upon general prices, must increase the buying power of the masses of the people. It must place in their hands additional money or credit. The Federal Reserve Bank Notes now being issued may prevent the public purchasing power from diminishing as much as the frozen bank deposits would otherwise cause it to diminish, but the notes in themselves are not inflationary.

• • • As of March 25, approximately 83 per cent of the country's 19,323 banks were open for business, including those which were operating on restricted basis. The fully opened banks and those on a restricted basis hold about 88 per cent of the total bank deposits. *The American Banker* believes that losses in liquidation may be less than one billion dollars, or less than 2.5 per cent of the banked funds of the country.

• • • Those who think that a public works program or other additions to the bonded debt of the country would be a great strain on our national credit may not know that our indebtedness of \$165 per capita compares with \$455 for France and \$793 for Great Britain. For every dollar of debt the U. S. possesses more than \$16 of national resources, the United Kingdom \$2.74 and France \$3.19. On the basis of the ratio of debt to wealth our wealth could be increased from the present 20½ billion to 120 billion and still represent a smaller percentage of resources than in the case of Great Britain—and yet she is still regarded as a first-class credit risk.

• • • What does the new beer law mean in terms of dollars-and-cents business? SALES MANAGEMENT asked Hartley W. Barclay, managing editor, *Modern Brewery*, to prepare a statement based upon reports from trade executives. Their comments follow:

• • • The latest statements from brewers indicate that two serious conditions exist at the present time. The breweries are incapable of filling the numerous quantity of orders on hand and many of them are experiencing war-time difficulties of securing deliveries from sources of supply for brewers' supplies and equipment. One brewery received an order for fifty-five carloads while

waiting for deliveries on an order of approximately eight carloads of supplies. With similar conditions indicated throughout the entire industry, railroad carloadings should be appreciably benefited during April as a result of the action of Congress.

• • • National advertisers will watch with special interest the developments which occur as a result of the statement by Attorney-General for the State of Virginia who insists that no publication bearing beer advertising can circulate within the State. This is in contrast with the generally accepted opinion that publications bearing beer advertising may circulate in any State if publication of the advertising is legal in the State in which the magazine is published.

• • • Brewing equipment manufacturers report that the possibility of complete mechanization and electrification in breweries is extremely remote, due to the absolute necessity for skilled human technique in brewing. Apparently no conceivable application of technocratic doctrines can replace the human senses in tasting, observing and smelling beer during processing operations.

• • • According to the Dow Service Daily Building Reports, all northern New Jersey has taken on new life as a result of the rehabilitation of brewery plants throughout the northern half of the State. Brickyards have exhausted their stocks in Middlesex County. Reports from New York, Ohio and other States indicate that a similar impetus to building has resulted from legalization.

• • • In the opinion of one statistical service the direct effect of legalization upon the idle architect, builder and material man will be quicker and more far-reaching than the automobile and radio buying era, combined, after the post-war depression.

• • • A preliminary analysis of estimated State Taxes resulting from legalization of beer places the national total at approximately \$63,000,000 for the States in which beer would be immediately available. In the opinion of many legislators this new source for revenue may eliminate the necessity for the adoption of emergency legislation such as sales taxes in several of the States.

• • • The fear of price-cutting in beer merchandising to three cents a glass led Detroit Post No. 1 of the Veterans' Democratic League to pass a resolution which provided that five cents a glass should be established in the public interest as the minimum price. This, together with other incidents, points to the fact that the public not only wants beer, but it also wants the trade stimulus which profitable merchandising would have upon wholesale distributors and retailers alike.

• • • Druggists in Massachusetts and Maryland and other States have vigorously protested the sale of beer in drug stores on the ground that it would hurt their pharmaceutical trade.

• • • Chain store methods of distribution may be adopted by large breweries if several proposed distribution plans are carried out in practice. Bulk handling in large tank trucks will carry the product from the brewery to intermediate bottling or dispensing stations and small trucks will be used for route delivery and local service.

Prices

The All-Commodity Wholesale Price Index compiled by Irving Fisher stood on March 27 at 56.6 per cent of the 1926 normal. This is a gain of 3 per cent from the low point reached just before the bank closings.

• • • Moody's Weighted Daily Index of twenty sensitive commodities reached a low of 78.7 on February 4, and during the last few days has ranged from 86.3 to 88.7.

• • • The price slashes by cigarette manufacturers seem to have stimulated the demand in February, as total production of cigarettes were 7,854 billions, as compared with 7,680 billions in February last year.

• • • Effective March 25, the International Cement Corporation increased the price of its product from its four mills in Pennsylvania, New York, Indiana and Kansas by ten cents a barrel, and at the same time increased the compensation of hourly and weekly wage earners at these mills by 10 per cent. When and if this is done by other companies the purchasing power of the country will get a real fillip.

• • • The refrigerator companies are engaged in a price war of their own, with the Kelvinator Corporation announcing last week a reduction of from \$17 to \$67.50 on its models. Frigidaire is expected to meet this reduction today. Westinghouse, on the other hand, announced March 1 a price increase of \$10 in New York and New Jersey. This is an experiment, which will be made country-wide if the results are satisfactory.

Production

The heavy industries of the country did not recover during the last half of March from the shock of the bank holiday. Steel production dropped a point or two, although the industry looks for appreciable April gains. Higher prices for scrap and pig iron are a forecast of better steel conditions.

• • • February permits for residential building in the country call for expenditures of 35.8 per cent in excess of January, according to government reports from 758 cities, but a big decline in non-residential projects brought the total for all types of building down 46.4 per cent below the preceding month.

• • • The F. W. Dodge Corporation reports that contracts awarded for all classes of construction through the first fifteen days of March in the thirty-seven Eastern states total \$24,666,000 as against \$54,038,000 in the same period last year. For the first two months of this year contracts for all types of construction declined 22 per cent from 1932.

Distribution

Despite the fact that approximately 20 per cent of the banks had not reopened as of March 22, bank clearings for the week ending that date dropped only 0.5 per cent from the same week last year, and gains were recorded in New York City, Buffalo, Dallas, Minneapolis, San Francisco, and Portland, Oregon. Reductions were very slight in Pittsburgh, St. Louis, Cincinnati, Omaha and Atlanta.

• • • Dun & Bradstreet's say, "The reopening of banks, improved weather conditions and restored confidence brought a spurt in retail buying which will last for a few weeks at least, as the needs of many customers have been accumulating. The headway made through the first

week following the financial crisis has had no parallel in twenty-six years." Department stores and specialty shops of New York and Brooklyn reported sales increases ranging from 50 per cent to 75 per cent over the week of the bank holiday, and from 25 per cent to 30 per cent over the week preceding the bank closings.

• • • Marketing men will watch with interest the effect of the 3 per cent sales tax in Illinois, as it is the first large state to try this experiment. Reports from Mississippi indicate that the tax in that state has not resulted in restricted buying.

Generalship

Big business recognizes that many of the policies and practices which were "cricket" from 1925 to 1929 are in the dead-letter category now. The chairman of the Consolidated Gas and the Niagara Hudson companies congratulates Governor Lehman on public utilities regulatory plans which would have given financial interests the heebie-jeebies a few years ago, and Winthrop Aldrich of the Chase Bank sponsors bank reforms which would have been considered bolshevik if suggested by a Norris or a LaFollette.

• • • Chain store leaders consider the Supreme Court's decision to hold the Florida law invalid as being the beginning of the end in the long-drawn-out battle to place special and very heavy taxes on the operations of chain stores.

• • • The New York *Evening Post* and the *Saturday Evening Post* are owned by Cyrus Curtis, but their stand on "Buy American" is diametrically opposite. The New York *Post* thinks that "Buy American" is a boomerang and points out that "our exports in 1929 amounted to \$42 for every man, woman and child in the country, and that now they have dropped to \$13, and are we better off because of this two-thirds reduction, or do we wish we were still selling abroad to the tune of \$5,000,000,000 a year?"

Potpourri

Newspaper advertising in February declined 25 per cent from the same month last year. Retail and automotive advertising showed larger declines than general and classified.

• • • Many families are coming back into the saddle of companies which were sold to other interests during the boom days. The Colgate interests, for example, now seem to have the upper hand at Colgate-Palmolive-Peet. The son of the original Thompson has regained control of the restaurant chain founded forty years ago by his father. Irving T. Bush has won a proxy fight against those who practically threw him out of the Bush Terminal Company, two years ago.

• • • The situation seems to be different at Studebaker, as A. R. Erskine, long the president, is not one of the three receivers. Expert sales management is recognized in the Studebaker receivership through the appointment of P. G. Hoffmann, vice-president in charge of sales, who is well known to SALES MANAGEMENT readers through several articles he has written for us.

• • • We recommend President Roosevelt's new book, "Looking Forward" (the John Day Company), to all who are interested in the direction in which the country will be headed these next four years. It cannot fail to interest all business men, regardless of their political beliefs and affiliations.



Meetings of sales managers are held twice weekly. Everyone takes part in a general discussion and experiences are freely traded.

How We Found a Tip Top Sales Opportunity in a Rock Bottom Year

FROM scratch to the present average of 800 Monarch portable typewriter sales monthly is the eight months' record of the Walter Drey Organization, New York City distributors of Monarch typewriters, a product of Remington-Rand.

Our experience may prove of interest to manufacturers in other lines, not only because we succeeded in finding and developing a new market for a product whose normal market was practically paralyzed after three years of depression, but because we have found some new ways of doing things.

While many of our methods are based on tested selling policies as developed by leading specialty selling organizations the country over, we have altered the details of these methods just enough to make them directly adaptable to present difficult marketing conditions. Practically the entire organization works on straight commission, for example. To be exact, we have (out of an organization of less than 400) only six salaried executives.

We have a standard introductory sales training plan, too, but we have been able to compress its essentials into a two and one-half hour program, so as to get new sales people into the field, producing business, in a minimum time. We employ a definite plan for developing leads and a time-payment plan, both of which involve considerable routine detail, but we have taken all such desk work off the shoulders

BY
WALTER
DREY

*Walter Drey Organization,
New York City*

of our sales managers so that their one and only duty is to sell. Close field supervision of salespeople in groups is a factor of major importance in our marketing plan, yet we give the salesmen an absolutely free choice in selecting the man (or woman) under whom they will work. Men sales managers handle both women and men of all ages, and, believe it or not, women sales managers handle both men and women. Our general sales manager is a woman.

We have a distinctly high pressure type of sales structure, but we use nothing but low pressure selling tactics with buyers. And our prospects are exclusively children between the ages of 7 and 14.

These glimpses of important phases of our marketing plan will indicate, I believe, that I am not exaggerating when I say we have approached the problem of selling, during months little short of critical in our national history, from a brand new point of view.

Perhaps you would like some details.

Our marketing program did not develop overnight, but is the result of eight months of testing, changing, realigning, tempering. When this organization started last July, neither the writer nor Remington-Rand knew exactly what method would be efficient in selling portable typewriters for educational purposes. All we knew was that the typewriter industry had possession of the Wood-Freeman report, which proved conclusively that typewriters were an aid to a child's educational development.* We realized further that the whole country wasn't broke and that money to buy typewriters was available if our sales presentation was sound and our price fitted the market. The result was the introduction of the Monarch typewriter, a lower-priced portable machine, in the New York area in July, and the formation of the Walter Drey Organization to do the job.

Monarch typewriters are sold on the educational appeal, for the use of children between the ages of 7 and 14. The first important lesson we learned

*This study, made by Dr. Ben D. Wood, of Columbia University, and Dr. Frank N. Freeman, of Chicago University, among 14,949 children in 51 schools, tested the various ways in which a typewriter aided or slowed up a child's educational progress, particularly with reference to spelling, reading, number work, quantity of writing, etc.

was that the salesman must stick to this appeal; if he doesn't, he loses sales. Competitive machines, particularly the standard models of typewriters, have more "gadgets" on them, and the salesman who seeks to sell a typewriter rather than education immediately gets involved in competitive arguments and, furthermore, finds himself competing with the local Remington-Rand dealer. He must, there-

sonally, and an overriding commission on every machine sold by members of his group.

Except for the preliminary chart and lecture training course, a session of which is held every Monday, Wednesday and Friday afternoon for sales recruits, the sales manager must train his own salesmen. The first call each salesman makes is with his sales manager. When the sales manager feels his recruit is ready to go it alone, he is given a machine and assigned to his territory.

Every Saturday afternoon in the Manhattan office of the Walter Drey Organization, real Indians put on a show for the child members of the "Wigwam Club." As many as 800 children have attended one of these performances.



fore, sell education, and sell the machine for the use of the child, not for the adults in the family.

We have found that the majority of our sales are made when the child is present, so most of our selling activity takes place between 3 and 9 o'clock. Monarch typewriters are sold for \$38 cash, or for \$41, with \$5 down and \$3 payable monthly for twelve months. To make this time payment easier, we advertise that the machine can be bought for ten cents a day and we give customers miniature treasure chest savings banks in which to keep their pennies to accumulate the necessary \$3 a month. So much for the market and the product designed for it.

To reach the market our present company has branches in New York, Jamaica, Newark, Brooklyn, Bayonne and Jackson Heights, each under a branch manager. There are 400 salesmen in all, under twenty sales managers. In developing this organization we endeavored to train sales managers for their ability to lead men as men, rather than to lead them under a "system". Each sales manager and branch manager is a graduate from the ranks. Each gets a salesman's commission on every typewriter he sells per-

Thenceforth the sales manager is responsible for his sales. But his responsibility exists under no iron-clad system. Only so long as the sales manager inspires his group by personality, by counsel, by direct help in the field, need the salesman stay with his first sales manager. If for any valid reason, and sincere choice is a valid reason, the salesman wants to work for another sales manager, he simply applies to the general sales manager for transfer.

The value of this policy is immeasurable. For one thing, some personalities just naturally clash, and often a man who does only mediocre work under one sales manager will develop into a star performer under another who seems to understand him better. One salesman, for instance, worked almost a month with one sales manager, getting no worth-while results. He was transferred to one of our newest sales managers and in the first week turned in four sales in four days.

The plan has the merit also of placing all the sales managers in direct competition with each other as far as their efficiency in building sales and handling men is concerned.

Recently, special quotas were set for a two weeks' drive. As was expected, at the first sales managers' meeting held during the second week, one group had already sold four machines over its quota, and another group, two machines over its quota. As a reward, these two groups were given many leads which had come in through radio broadcasting.

And now what happened? Well, the sales managers of the groups that had not reached quota asked the general sales manager for some
(Cont. on page 339)



Starting last July on a shoe string, the Walter Drey Organization so successfully out-thought and out-fought the depression that they have already built up sales on Monarch typewriters to 800 machines a month. How they smashed tradition right and left in the development of their unique all-commission sales organization, is told here by Mr. Drey himself. One of the best of our "depression success" stories.

A SUGGESTED STOCK ROTATION SALE SCHEDULE		
JAN Cough and Cold Treatments (MEDICATED PLASTERS) Men's Toiletries	MAY Mother's Day Sale (Candies, Gifts etc.) Baby Products Sale (COTTON PICKER, TALC)	SEPT Athletic Goods (SUPPORTERS) School Supplies
FEB Valentine Sale (Candies, etc.) (SURGICAL DRESSINGS)	JUNE FOOT PRODUCTS SALE SURGICAL DRESSINGS	OCT Magazines and Books SURGICAL DRESSINGS
MAR Stationery and Supplies Bathroom Supplies, Soaps, etc	JULY Insecticides Vacation Needs Cosmetics (COTTON PICKER)	NOV Cough and Cold Treatments (MEDICATED PLASTERS) Healing Devices-Rubber Goods (THERMAT)
APR Athletic Goods (SUPPORTERS) Household and House Cleaning Supplies	AUG Sunburn Treatment FOOT PRODUCTS SALE	DEC Christmas Gift Sale (THERMAT-COTTON PICKER)

This skeleton outline forms the basis of the Bauer & Black Stock Rotation plan, which, with an accompanying program, is now being offered to dealers. (B & B products indicated by bold-face capitals.)

BY
LESTER B.
COLBY

B & B Give Dealers Year's Sales Plan; Stress Correct Display

Bauer & Black's new "stock rotation sales calendar" for druggists not only provides a stronger merchandising tie-up between manufacturer and dealer, but is noteworthy because it unselfishly promotes many products other than those in the B & B line.

AFTER a full year of constant investigation and research—merchandising experts placed in typical outlets to study the buying habits of customers—Bauer & Black have worked out a "Stock Rotation Sales Calendar" which is now available to druggists and merchants handling their goods.

An official of that company observed in a talk with SALES MANAGEMENT: "The problem of the manufacturer today is not how to get goods on the dealers' shelves. It is rather how to get them off the dealers' shelves into the hands of the consumer. If the user empties the shelves the manufacturers' sales follow. That is automatic. Today we must sell the retailer profits, not goods. If we show him how to make money our problem is solved."

(Right) The symmetrical pyramid display does not sell goods. It says to the customer, "I am beautiful. I am decorative. Do not take a package or you will destroy my appeal. Nobody has taken one of my packages. You mustn't." The block display on the right is a little better, but not much, either. A customer will hesitate to break the even lines.

The Bauer & Black Stock Rotation Sales Calendar does not confine itself to Bauer & Black products. It suggests, for example, the goods a druggist can feature—to his profit—each month throughout the year.

Cold and cough treatments not in the Bauer & Black line are suggested as features in January and November. Valentines and candies are not Bauer & Black products, but they are suggested for February; candies and gifts in May, when Mother's Day comes.

And so, throughout the year. July, insecticides, vacation supplies; August, sunburn lotions.

Medicated plasters, surgical dressings, Cotton Picker, talc, foot remedies—all in the Bauer & Black line—of course, have a place in the calendar.

Bauer & Black salesmen, for example, do not say:

"August is the month of foot troubles. Feature our foot products."

Rather, they say:

"Feature foot products then. Bring them out. Group them. Push them. Show ours among the rest. We'll take our chance."

For May, they say:

"Feature baby needs. Push them. But show our Cotton Picker and our talc, among the other items."

For January and November:

"These are peak times for colds. Show what treatments you wish. Sell



whatever you can. But don't forget our medicated plasters."

The Stock Rotation Sales Calendar lays down other laws:

1—Have an abundance of merchandise.

2—Display it so that it says, "People are buying it."

The program condemns the symmetrical pyramid display. That type of display, it is pointed out, cries loudly, "Mustn't touch. I'm beautiful. I'm decorative. Don't take. You will destroy my beauty."

The complete block display, with unbroken lines, is a bit better, perhaps, but it still repels the buyer. He will hesitate to break those even lines.

A block display with just a few packages missing from one corner, set a little "loose," is some better. But still not good enough. It doesn't cry, "People are buying me liberally."

Take off a few more packages from the corner, build the display a bit higher, set the packages looser and there is more improvement; more invitation to "pick one up."

Then comes the best of all, the real thing. An open carton with the merchandise removed; the "tail off"; a package or two apart on the sales

(Below) The display on the left is a little better. Someone has bought. It's a little "loose." At the right—still better. Less merchandise to get the same effect. More suggestion that packages are really being picked up. More invitation to do likewise. Yes, quite a bit better.



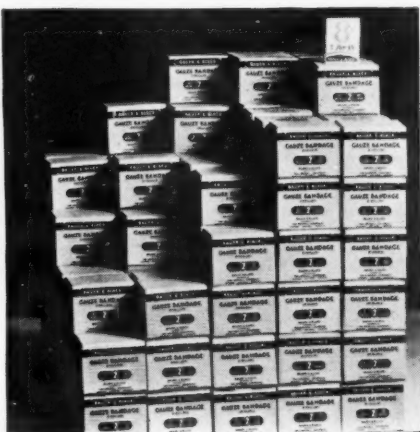
make several purchases where he intended to make only one, is the secret and the success.

Groupings are suggested. Gauze, bandages, adhesive, cotton, belong together . . . mercurochrome, iodine, S.T.37, Handi-Tape and others . . . razors, brushes, shaving creams, powders and lotions grouped. . . cameras, films, samples of enlargements . . . cold creams, astringents, lotions, face powders, powder puffs, Cotton Pickers.



(Above) Pictorial suggestion of Group Related Items accompanying Bauer & Black "Stock Rotation Calendar." This is a dignified and effective suggestion to the customer who came in to buy one item to carry off two or three or four. Note the unsymmetrical lines, the opened packages, the mute invitation, "Help yourself."

(Left) Here's the real thing, the "tail-off" that suggests "Pick me up. Carry me away. Others are doing it." An open package showing quality of merchandise—out of the carton. It speaks, saying, "I'm yours. Take me."



is to help put the transaction through to the finish.

"We must sell profits. We must show the dealer how to get profits. That has become a part of the task."

GE Provides a "Vacation" for Installment Buyers

On purchases of General Electric oil furnace and other air-conditioning equipment made after March 20, only a small down payment is required. Monthly instalments will not begin until fall.

Though the "public confidence in the future is unlimited," explained J. J. Donovan, manager of GE's air-conditioning department, "business conditions and the lack of cash are preventing people from undertaking badly needed repairs and replacements in their homes. The new policy was instituted because the department believes "people who want to improve their homes should be helped to do so right away" while labor and material costs are low."

counter, broken lines to avoid symmetry; numerous packages absent from the design which seem to cry out:

"Many have bought from this display. Pick up a package yourself. Carry another one away. Join the army of buyers."

The Bauer & Black calendar is illustrated. It shows just how to do it. It also carries a picture of a group of related items. Grouping related items, an invitation to the customer to

"See that each display has attention value, has color, life. Make it shout to the customer," says the calendar. "Identify each display with cards. Suggest, suggest, suggest."

Among the laws laid down are— "Cover the table, counter or shelf completely.

"Never let counter or table show through.

"If the merchandise is piled in baskets, trays or boxes, keep them heaped

Twenty Leading Companies Act To Harness Public Confidence

William G. Mennen

... Action through newspapers.



Blank-Stoller Photo



Roy A. Bradt

... He decided to resume.

Adrian Joyce

... "Every salesman has been given special incentives."



Haldeman Finnie

... One-third more salesmen.

August A. Busch

... Budweiser will become known.



Photo courtesy Modern Brewery

EXECUTIVES of twenty leading companies have just reported to SALES MANAGEMENT plans to harness the increasing consumer confidence by sales action.

Though "living in close contact with Detroit's disturbed banking situation," Timken Silent Automatic Company, oil burners, etc., has increased its sales force more than one-third in the last two months; is offering a special contest "which will permit 100 leading retail salesmen to spend four days in Chicago at A Century of Progress Exposition"; released, during the bank holidays, newspaper advertising schedules in eleven metropolitan cities; has started newspaper and outdoor schedules of cooperative advertising in 53 cities; is increasing its sales promotion, and is changing marketing methods.

A nation-wide "On-to-Chicago" contest also is proving an effective stimulant to the sales organization of Edison General Electric Appliance Company, Hotpoint ranges. Edison GE's field organization has been doubled since January 1. Sales promotion work has been increased, too.

Revision of sales policies and establishment of sales quotas, "with particular reference to those lines which will be immediately in demand during the Spring season," was announced by Adrian D. Joyce, president of the Glidden Company, paints, etc., Cleveland. "Every salesman has been given special incentives," Mr. Joyce said. "Advertising plans include attractive premium deals" and an extensive newspaper campaign. "New products with special appeal to the home owner have been brought out."

In the midst of the bank holiday, Procter & Gamble Company, Cincinnati, soap products, announced the launching of a 3,000,000-line advertising campaign, chiefly in newspapers.

After deciding that the dealers must pay for whatever advertising is to be done this year on the new models, the Ford Motor Company is reported to have reconsidered and to be planning a large campaign of its own soon.

Meanwhile, William G. Mennen, president of the Mennen Company, shaving cream, Newark, is undertaking a large newspaper campaign because he believes that now is the time to get action.

"An expansion in our national advertising program is contemplated," said W. M. O'Neil, president of General Tire & Rubber Company, Akron.

Though Canada Dry Ginger Ale, Inc., New York, which expects to introduce a German beer on the American market, was "not prepared at this time to give any publicity to our plans," Parry D. Saylor, president, planned, "later on, to have something of interest to tell you."

Also silent on plans, an executive of General Mills, Inc., grocery products, Minneapolis, pointed out, however, that in 1933 "we shall spend approximately three times as much money for advertising as we did in 1929."

E. R. Squibb & Sons, drug products, New York, has not increased its sales staff, quotas or compensation, replied R. D. Keim, general sales manager, "but our advertising appropriation for 1933 is larger than that for 1932, as we are confident business is on the upward trend."

An "organized effort to increase the size and the ability of the retail sales organization" is being made by the Maytag Company, washing machines, Newton, Iowa, explained Roy A. Bradt, vice-president. Maytag also is "resuming national newspaper advertising schedules, which were curtailed last fall. We are ready to increase these as soon as conditions warrant."

Substantially larger sales and advertising efforts of Scott Paper Company, toilet tissue, Chester, Pennsylvania, throughout the years 1930, '31 and '32, as compared with those of 1929, are being maintained now, an executive pointed out.

D. F. Gerber, of Gerber Products Company, canned foods, Fremont, Michigan, reported an increase in magazine advertising program this year.

In the midst of the national bank holiday, Dairymen's League, New York, started a large newspaper advertising program. California Fruit Growers' Exchange, oranges, lemons and grapefruit, Los Angeles, is continuing its \$1,500,000 advertising program for the 1932-3 year, and has just sent an elaborate Plan Book on merchandising and advertising strategy to its trade.

Various companies said that the

holiday has not altered their sales and advertising efforts. Among these were Swift & Company, Western Clock Company, Vanity Fair Silk Mills, Life Savers, Inc., Chase Brass & Copper Company, National Lead Company and the Borden Company.

Standard Brands has just started to promote, through the Widlar Company, a subsidiary, dated potato chips.

The New England Council, Boston, found that its newspaper advertising, continued during the bank holidays, "pulled more inquiries than advertising used last year at the height of the season."

Shell Petroleum Corporation, St. Louis, was to start, March 25, "one of the largest programs ever under-

taken by an oil company" in the Middle West, with outdoor as a primary medium. The copy will be changed weekly during the first two weeks.

The brewers, busy with production problems, did not have time to talk about sales and advertising plans. Among them, however, Anheuser-Busch, Inc., St. Louis, is increasing its advertising appropriation \$1,000,000, and Jacob Ruppert expected to spend \$500,000. As a Buffalo brewer pointed out, "it will be at least six weeks before we can get around to formulating sales policies."

But a lot of other industries, besides brewing, are sounding the whistle for full speed ahead.

Frigidaire Turns "Bank Holiday" into Salesfest for New Line

On March 4—just when the financial crisis came to a climax—Frigidaire Corporation was scheduled to send groups of executives out from Dayton to hold 36 meetings of dealers and their salesmen throughout the country, on behalf of its new household refrigerator line.

The corporation had worked hard on that new line; had spent \$1,100,000 for new tools and machinery for it; had designed and priced every model anew to meet 1933 purses and value-seeking; and yet had provided its 15,000 dealers and their salesmen with a better profit margin than last year, and an opportunity, through easier graduations, to work their prospects into the higher-priced models.

Portfolios and a multitude of sales-helps ready, Frigidaire was planning to spend \$2,500,000 in newspaper and magazine advertising in 1933 to support the personal sales efforts.

The home organization had been worked into considerable enthusiasm. The men were ready to transmit their enthusiasm to the trade.

But the day dawned full of damnation for any form of sales enterprise. The executives at Dayton read the reports of bank closings and growing uncertainty, and groaned.

Formerly, Frigidaire had paid the expenses of dealers and their salesmen to these announcement sales meetings. This year it had been decided the dealers would have to pay their own. How many dealers could be expected to attend, on this basis and under these circumstances, now?

Among the minor calamities of that historic day, March 4, 1933, may be recorded the fact that E. G. Biechler

and H. W. Newell, president and vice-president in charge of sales, respectively, and other leading lights of the Frigidaire Corporation, on that day had a rather serious attack of the chills and blues.

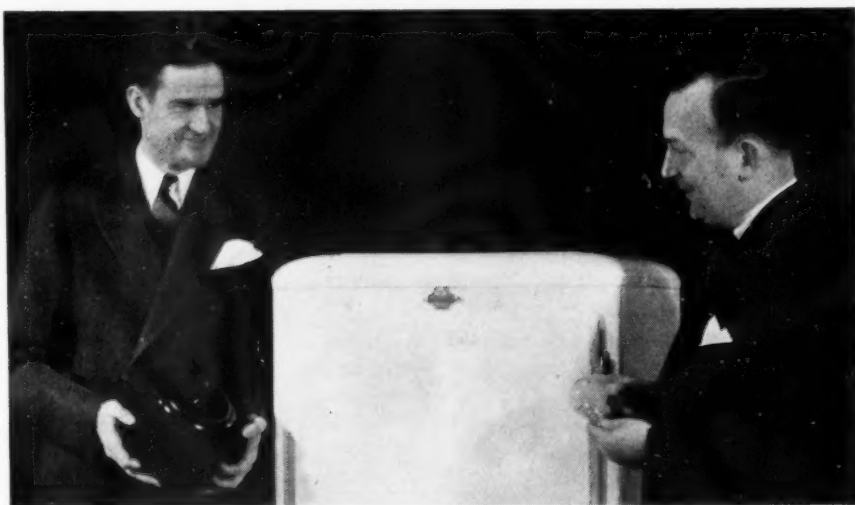
But it did not last. Let the dealers who couldn't or wouldn't come, stay home, the executives decided. Let the

attendance at least 20 per cent from last year's figures. But at these first 16 meetings all save one exceeded expectations. Attendance averaged 10 per cent better than Mr. Newell had estimated.

So did morale.

As this reporter had his annual discussion with Mr. Newell, the day before St. Patrick's day, he found him a bit more than a year older, but confident and happy, as he divulged the features of his newest wares and the means provided to promote them.

After being in the refrigeration business 17 years, Frigidaire Corporation, he explained, had started out again to pioneer. Though the saturation point for domestic electric refrigeration is still far away (only 20 per cent of the nation's 20,000,000 wired homes now have it), the industry's sales declined last year for the first time, from 960,000 to 840,000 units. Frigidaire, the first of the major makers to make substantial price reductions, it is true, improved its proportion of the industry's business. More than half of its volume was on units retailing at less than \$160. But price reductions, the executives decided, were not enough. The company should sell not only a low-priced model but should reprice and redesign its entire line in terms of today's buy-



Simplifying the Sales Talk: Vice-President Newell holds a refrigerator compressor, while F. R. Pierce, sales manager, reveals that Frigidaire's smallest model costs only as much as a light bulb to operate.

banks and their depositors get out of their difficulties as best they may. Frigidaire was going through with its schedule.

Sixteen of the first 36 meetings were held during the period of the holiday itself. In February, before the regional holidays had become general, Mr. Newell had estimated that the pay-your-own-way basis would reduce

ing cautiousness, if it were further to strengthen the position it had gained.

The apartment house and commercial markets being quiet, and the homes of better-to-do people, for the most part, already being equipped with electrical refrigeration, they determined to persuade the people of middle and even lower incomes—incomes

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A Thumb-nail Talk about the Profession of Selling

BY BRUCE CROWELL

IN the ten years I have been writing for SALES MANAGEMENT I have interviewed scores of star salesmen, seeking the reasons for their success, and attempting to discover just how these men had perfected their methods to a degree where they were able, with apparent ease, to deal in carloads and millions while so many hundreds of their brother salesmen were still scared to ask for an order for a gross or to quote on any volume above a hundred dollars.

These men, I found, had many things in common. They had broad vision. They made a deep study of human nature. They had the knack of getting the buyer's point of view. They knew their merchandise—whatever it was: shingles, furnaces, shoes, abrasives, or tooth brushes—inside out and upside down. They all sold quality and the price didn't make much difference. They were all orderly thinkers and systematic workers . . . but another point, which I regard as more important than any of these, was this: they all had the same *attitude* toward their jobs. To a man, they worked largely from the service point of view, like a doctor, or an architect, or a lawyer. With them selling was a *profession*, and the importance of their jobs had thus become immeasurably elevated, and their own futures had attained almost unlimited potentialities.

The salesman who regards his job as a profession learns to work in a new way. When a man gives prospects the impression that he is helpfully serving instead of trying to grab off an order only for what it will put in his pocket, he no longer has much difficulty in getting in to see big men. When he learns to serve as a helpful adviser, orders come as a natural result of this approach, and he can, without undue effort, outsell a hundred others who offer only goods at a price.

The greatest problem of any salesman is to find

a way to keep himself from degenerating, either in his own eyes or in the eyes of his customers, into "just another peddler." That type of selling is without sport; it is wearisome, dull and unproductive. It is inimical to success.

Business management as a whole has developed during the battles of the past three years an altogether new respect for men who can sell. For it has come face to face with the cold fact that where there is no salesmanship there are no payrolls and no jobs for all of the people employed in the production and administration divisions of the business. Salesmanship has come, thereby, into its greatest era of opportunity.

Whether that opportunity will mean anything to you will depend entirely upon what you do to turn it to your own account. It will mean absolutely nothing

to the man who has only a piece of merchandise and who runs like a frightened hare when a buyer says, "Your price is too high."

But it means power and income and self-respect to the man who sets out to know so much about his product and the services it is capable of performing that he qualifies as an expert and his advice and opinion are sought by the very persons he wishes to sell. In other words, buyers learn to think of this type of man as a helpful, professional adviser, rather than a person who takes orders. And this, to my mind, is selling at its finest—broad-gauged, profitable to both buyer and seller, and a source of spiritual stimulation to its participants.

Think of your job of selling as a profession. Work it out in terms of professional methods and professional ethics. Then, and only then, will you find true happiness in work, and catch a glimpse of your true capacities and capabilities.



Photo by
H. Armstrong Roberts



General Industrial Market for Black & Decker PORTABLE ELECTRIC HAMMERS and SAWS

INDUSTRIES	General Maintenance Applications					Production Applications				
	Hammers		Saws			Hammers		Saws		
	Drilling Holes for Anchoring, etc., in Brick or Concrete	Drilling Brick, Concrete, Stone, etc., in Brick or Concrete	Drilling through Walls and Ceilings for Pipes, Conduits, etc.	Channeling for Conduits, Waste Lines, Oil Lines, etc.	Removing Scale in Boilers	Cutting Boards for Partitions, etc.	Cutting Out Old Sections of Floors for Repair	Building Benches, Shelving, Platforms, Trays, Ladders, etc.	Repairing Trucks, Trailers, etc.	Drilling Holes for Expansion Bolts for Mounting Saws, Signs, Managers, Fixtures, etc.
Agricultural Implement Mfg.	•	•	•	•	•	•	•	•	•	•
Apartment & Bldg. Main.	•	•	•	•	•	•	•	•	•	•
Artificial Limb Mfg.	•	•	•	•	•	•	•	•	•	•
Automobile Factories	•	•	•	•	•	•	•	•	•	•
Automotive Products Mfg.	•	•	•	•	•	•	•	•	•	•
Aviation Industry	•	•	•	•	•	•	•	•	•	•
Brick and Clay Industry	•	•	•	•	•	•	•	•	•	•
Building Contractors—Gen.	•	•	•	•	•	•	•	•	•	•
Canning Plants	•	•	•	•	•	•	•	•	•	•
Cabinet Mfg.	•	•	•	•	•	•	•	•	•	•
Cement Block & Cast Stone	•	•	•	•	•	•	•	•	•	•
Drug and Chemical Plants	•	•	•	•	•	•	•	•	•	•
Electrical Contractors	•	•	•	•	•	•	•	•	•	•

Based on an interview by Herbert Kerkow with

ROBERT BLACK

Sales Manager, The Black & Decker Manufacturing Company, Towson, Maryland

A book mailed to jobbers' salesmen after each showing of "Shooting for Profits" presents a chart-analysis of the various industrial markets for each B. & D. product. Below is reproduced a "still" from the film.



Bigger and Better Orders Trail Showings of New B&D Film

BECAUSE the sound motion picture film, "Shooting for Profits," after more than 250 showings before jobber sales organizations, has proved to be the most successful plan the Black & Decker Manufacturing Company has ever used for stimulating jobbers' salesmen, two company executives intend to continue its showing at the rate of 60 to 70 a month until almost every jobber's sales organization handling Black & Decker tools has been reached.

By looking at the sales charts on the wall of our home office, we can tell where the picture is being currently shown. Every territory in which the picture is shown immediately shows a jump in sales.

This five-reel sales picture was designed to overcome several problems that Black & Decker face in common with any manufacturer selling exclusively through jobbers. These are:

1. The difficulty of getting jobbers' salesmen to realize the breadth of the product's market. Black & Decker has one or

more tools that fit almost every type of plant in America. If the salesman knows what tool is designed for each service in each of several industries, a large part of his job is done.

2. The difficulty of getting jobbers' salesmen to push Black & Decker tools when they have two thousand or more items in their catalogs.

3. The difficulty of getting jobbers' salesmen to demonstrate the product. Tools like Black & Decker's help sell themselves if they are demonstrated properly.

In addition to solving these three basic problems, the film had to interest both the automotive and mill supply jobbers' salesmen because the company's products are distributed widely in both fields.

The film, therefore, shows a Black & Decker salesman helping a mill supply jobber's salesman get business by following a variation of the technique used by a successful automotive supply house, whose methods are shown by a flashback. Beyond this,

the film points out that in order to be more than just an order taker, the salesmen should feature as a leader a line like Black & Decker's that saves production costs—a problem of paramount interest to industry today. Thus, in getting a plant to buy the leader, the salesman has the entrée that may eventually secure the whole "book" for him.

In the film, salesmen are shown how to demonstrate the tools. Furthermore, a hint of the wide application of Black & Decker tools is given. But the full exposition of the breadth of the market is left to a twenty-page booklet distributed at the end of the film showing.

This booklet serves a double purpose. It recapitulates the high spots of the film by means of quotations and picture stills. The latter half of the booklet presents a graphic picture of the automotive and general industrial market for Black & Decker tools in quite some detail. The complete application of each tool in as many as forty-eight industries is in-
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Travel Costs Drop in South; Four More Roads Follow L&N in 2-Cent Coach Fare Test

(SALES MANAGEMENT is still anxious to receive letters from company officials which show how both companies and railroads are benefitting by the new scrip books in the West. If you have put more men into your western territories as a result of the reduced rates, if you plan to travel your present force more widely, or have altered your plans in any other way, won't you please write us today?—THE EDITORS.)

FIVE railroads operating in the South were authorized on March 17 by the Interstate Commerce Commission to reduce coach fares to 2 cents a mile, and Pullman fares to 3 cents, eliminating all surcharge. The new plan will be tried out over a period of six months.

Thus does SALES MANAGEMENT'S prediction that some action would be forthcoming in the territory east of the Mississippi, in the direction of lowered travel costs—either by scrip book or some other arrangement—come a step nearer to fulfillment. While no action has as yet been taken by the big trunk lines, notably the New York Central, Baltimore & Ohio and Pennsylvania, which cover the most populous section of the East, some adjustment of fares is inevitable, and if these roads cannot be made to see the wisdom of a mileage book on the 2.7 cents basis as adopted in the West, they will most certainly be forced to some other arrangement probably not as advantageous to them.

The roads in the South which will engage in the 2-cent coach fare experiment are: Louisville & Nashville (operating to St. Louis and Cincinnati on the north, and between Memphis, Nashville, Atlanta, Birmingham and New Orleans); Nashville, Chattanooga & St. Louis (operating a main line between Atlanta and Memphis); Mobile & Ohio (St. Louis to Mobile); Atlanta & West Point (operating in Georgia); and Western Railway of Alabama (operating in Alabama).

The action of the southern roads means that real progress is being made in the direction of getting travel costs for salesmen down to a level more consistent with present conditions—a problem which has been one of utmost

seriousness for sales executives during the past several years. With the advent of scrip books in the West, scores of companies abandoned automobiles and are now traveling their men by rail again; many have put men back into idle territories; many are giving territories the more frequent coverage which they have felt was really necessary, but which they were unable to manage on account of the excess selling costs incident to a war-time railroad rate.

Meanwhile, the trunk lines, and the roads serving New England, have developed no announced course of action out of their discussions of scrip books or other versions of rate adjustment. This curious idea obsesses them; that people who travel in the East "have to travel more or less" (as explained to a SM subscriber by the Pennsylvania Railroad on the occasion of his inquiry about a possible quantity mileage rate), and "therefore a reduction would not stimulate enough added business."

Such a theory is, of course, contrary to simple economics. The railroads have grown up in the belief that rail travel is a service which the public *has* to buy, rather than a service which the companies have to *sell creatively*, just as any commodity is sold. The net volume enjoyed by the railroads, even though their service is in the nature of a public utility, must, in the last analysis, depend upon the price at which the service is available to the masses. If that price remains too high in comparison with the public conception of values, the public will find *some other way to travel* which is more suited to its pocketbook. Or it *will not travel at all*. It seems obvious that the enormous growth of the bus lines is a case in point. So also is the widespread use of automobiles for commercial travel.

The crux of the whole railroad situation lies in a fact pointed out time and time again by this magazine: the essential lack of sales-mindedness and marketing ability within the industry. There are a few conspicuous excep-

tions, but the truth remains that the industry as an industry has always been poorly sold. More accurately, in comparison with its great potentialities, *it has scarcely been sold at all*.

The thought is extremely well expressed in a letter SALES MANAGEMENT received only a few days ago by W. A. McDermid, partner of Van Schmus, McDermid and Crawford, industrial management counselors of New York. He says, in part:

"I have followed with the closest interest your campaign for lower railroad rates for traveling men; its success to date in its adoption by western roads, and the confirmation of its soundness in the results already secured.

"The fundamental weakness in the railroad situation is, paradoxically, the fact that railroads are operated exclusively by railroad men plus financiers.

"Practically without exception, the policymaking operating heads have served their apprenticeship from the ranks. Their interests lie almost solely along the lines of 'costs per ton mile' and other purely technical operating problems. Even their engineering is in many ways surprisingly reactionary.

"They have something to sell to the American public to the tune of billions of dollars a year, yet, with a very few and correspondingly conspicuous exceptions, there are no sales-minded men in the higher councils of the railroads of America.

"This is not to say that there is not plenty of fine sales talent in the freight and passenger departments. There is a surprising amount of it. Nor is it to say that there has not been, here and there, well conceived and brilliantly executed advertising.

"But where and who is that railroad executive with a real voice in the management—who sees railroading not as a technical or engineering exercise, but in terms of consumers? Is there anywhere a man so situated that he has nothing to do except to find out what the passenger and the shipper really want in order to patronize the railroad rather than its competitors, and has the power to see that those things are done?

"With not more than one or two notable exceptions, where are the experts in public relations whose views carry the weight they should with the directors?

"The same need for sales-mindedness exists in the Interstate Commerce Commission. No criticism of the railroads, nor contemplation of what they should or should not do, is fair, adequate, or constructive, unless it takes into account the fact that, in many respects, the Interstate

Commerce Commission is the automatic block that stops the train of progress and modern methods. It is dilatory, arbitrary and arrogant beyond belief. If those who criticize the railroads knew the extent to which this is true, their censure would turn to pity. Who is the 'consumer-minded' commissioner in the I. C. C.? And should there not be one? In fact, should there not be a majority?"

Fair-mindedly enough, Mr. McDermid points out, also, that the railroads have plenty of troubles—that they are taxed out of all reason, regulated to death, and have imposed upon them a vast amount of relatively useless and terribly costly accounting. All of which SALES MANAGEMENT recognizes as true. And all of which is being carefully taken into account in our series of comments.

Be it stated here and now that this magazine does not want its railroad articles to be looked upon as mere tirades born of any blind prejudices or private grudges. They are, on the contrary, an effort at intelligent discussion which may result in such changes of policy, both on the side of the governmental regulatory bodies and the railroads, as will result in widespread benefit to general business and a more profitable era of operation for the railroad industry. For the welfare of the rails is inextricably tied up with the progress of general business, especially the selling side, and it is out of this fact that our interest springs.

That the general public has its own share of responsibility to bear for the present situation in the railroad industry is recognized. Referring again to Mr. McDermid's letter:

"It is futile at this time to point out that many of these handicaps arise directly out of the ill-will created in past years by the disregard of public opinion by the then managers of the railroads.

"The important thing to consider now is the present attitude of the railroads toward the public as a factor in their current difficulties.

"It is necessary to distinguish, as you have done, between those roads which are more or less responsive to public opinion and those which are not.*

"It is not to be marveled at that the western roads acted first on the reduced rate. They have been first in most improvements.

"One has only to compare the crack trains of the New York Central or the Pennsylvania with those of the Chicago & Northwestern, or the Milwaukee, or the Rock Island, to see the great difference in the quality of the equipment and service offered. (The B & O is deliberately omitted because it has to a very considerable extent taken the cue.)

"The most salutary thing that could happen would be for the chief executives

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*Mr. McDermid refers to an article in the March 15 issue of SM entitled, "Are the Railroads Riding into a Hurricane of Public Disfavor?"



The new Texlin package puts its predecessor in the shade—even in a photograph!

How Texlin Chalked Up a 357 Per Cent Increase in Sales

BY R. S. McFADDEN

THE Regal Paper Company, manufacturers of two grades of toilet tissue since 1911, had enjoyed a steady increase in the sales of both the five-cent and the ten-cent items from the day they started in business, to 1929. They considered that their good fortune was the reward of good products, fair prices, and the right distribution system. Their products are sold exclusively through the Woolworth stores. The peak year for Texlin, the ten-cent line, was 1929, when the sales curve flattened out. Meanwhile the five-cent line was increasing in volume. In 1932 sales on Texlin began to drop perceptibly.

Earle H. Benson, president of the Regal Paper Company, analyzed the situation. As the sales on the five-cent line increased, and those on the ten-cent Texlin line fell off, profits were piling. There was no doubt about it—Texlin was worth twice as much as the cheaper line.

It seemed to Mr. Benson that there were two things needed to strengthen the sales of Texlin—one was to get into more of Woolworth's outlets. Woolworth's was as good as it had ever been, but there had come a point, in his dealings with the organization, when he had sold his maximum number of stores—and it wasn't all of them.

It seemed to him more urgent than

ever that he batter down the resistance of the Woolworth buyers in those zones which Texlin wasn't covering. He had tried every conceivable selling argument at his command. He must find something new.

Was the package as good as it could be made? He asked a few of his friends among the Woolworth buyers what they honestly thought of the package. "Come to think of it," said one, "I think a change would be a relief. You've got six colors of paper, and a customer has either to turn the roll on end to see what color it is, or she's got to read the print to know what she's getting. Why can't the package tell the story?"

Mr. Benson then asked Martin Ullman, package designer, to tell him what, from the designer's standpoint, was wrong with the Texlin package.

Mr. Ullman's first reaction to the package was that it didn't look like ten cents' worth—it certainly didn't carry the conviction of being double the value of the five-cent line. Also there was too much dead area. He has a theory that every cylindrical package has six "selling areas," and that a good package utilizes every one of them for carrying a message. He also pointed out that, though the package for each color of tissue, in Texlin's range of six colors, used three

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Ha! Something New for the Dinner Table



Down Near the Florida
Everglades a
Canning Factory Packs
Tender, Pink
Rattlesnake Meat
—For Those
Who Want It



From
The American Weekly
November 27, 1932

Please pass the RATTLESNAKE!

SOMEBODY summoned a lot of nerve to swallow the first raw oyster. And the man who ate the first snail undoubtedly hesitated. But for pure, unalloyed gastronomical imagination, the first prize goes to George K. End, the man who introduced rattlesnake meat.

As vividly chronicled in a full page article in *The American Weekly* of November 27th last, Mr. End, of Arcadia, Florida, took that heroic step about two years ago after helping his two small sons kill and skin a rattler.

"The reptile's flesh was a pale salmon pink, looked

inviting, and Mr. End decided to try eating a bit of it as an experiment.

"He was pleasantly surprised to find the meat was tender and of excellent flavor. A little later on, at an American Legion convention in Tampa, he served a quantity of it, and everyone pronounced it good.

"That set Mr. End to thinking. If he and his family liked it, and his friends, the former soldiers, liked it, perhaps there was an opportunity here which had been overlooked. And thus a new food for the American dinner table made its appearance."

Thus ran the story in *The American Weekly* which, true to its policy of presenting new and

unusual facts, told about this amazing new food industry in an article, entitled "Ha! Something New for the Dinner Table."

The Price Rivals Caviar

Replete with pictures, this article set forth the whole story of the Floridian Food Products Corp., which captures, cooks and cans Diamondback rattlesnake for human consumption and sells the meat at a price that rivals caviar.

A small volume of business had been developed up to the time this story appeared in The American Weekly. Only a few people knew of the new rattlesnake meat delicacy. But within a week after the publication of the article, things began to hum at the snake cannery.

Hardly had this Mighty Magazine reached its 5,000,000 homes when presto! the bewildered Mr. End was swamped with orders. "Checks, money orders and coins came popping out of envelopes," Mr. End writes.

Here was another tribute to the widespread reader interest in The American Weekly; further convincing evidence that it is *seen, read and believed*; for letters, telegrams, telephone calls and cables flooded into Arcadia demanding immediate shipment of rattlesnake meat.

Brings International Attention

The entire country was represented by the response and there was a generous sprinkling of orders from Canada and abroad. Several trade publications requested information and printed stories. In other words, The

American Weekly had brought international attention to the rattlesnake farm in Arcadia, Florida.

Orders came from wholesale houses, doctors, lawyers, society matrons, tycoons and hundreds of just plain Americans.

Every can of rattlesnake meat was shipped from the warehouse and the company was forced to hire additional rattlesnake hunters.

Rattlesnake may never be a serious competitor of the stockyards, but somewhere in this amazing story is a moral for an advertiser who is looking for action.

It looks like conclusive proof of the argument we have been driving home for years: *that the place to get action is in this Mighty Magazine which reaches more people than any other publication in the world; that this magazine has the most circulation because it is the most interesting magazine in the world; that its readers represent every walk of life and have faith in The American Weekly—enough faith to eat canned rattlesnake if necessary, to prove it.*



WHERE THIS MAGAZINE GOES

The American Weekly is the largest magazine in the world. It is distributed through 17 great Sunday Newspapers. In 558 of America's 995 towns and cities of 10,000 population and over, The American Weekly concentrates 70% of its circulation.

And, in addition, more than 1,750,000 families in thousands of other communities, large and small, regularly buy and read The American Weekly.

This advertisement is published to inspire presidents, sales managers and other executives interested in learning of unusual accomplishments even in times like these. A copy of the complete article will be sent, upon request, on business stationery.

THE AMERICAN Greatest Circulation in the World A WEEKLY

"The National Magazine with Local Influence"

Main Offices: 959 Eighth Avenue, New York City

Branch Offices: PALMOLIVE BLDG., CHICAGO . . . 5 WINTHROP SQUARE, BOSTON . . . 753 BONNIE BRAE, LOS ANGELES . . . 222 MONADNOCK BLDG., SAN FRANCISCO
11-250 GENERAL MOTORS BLDG., DETROIT . . . 1138 HANNA BLDG., CLEVELAND . . . 101 MARIETTA ST., ATLANTA . . . INTERNATIONAL BLDG., ST. LOUIS

Pennzoil Fight on Oil Bootleggers Doubles Its Sales Outlets in Year

Through the graphic application of the "fear theme" to motor oil advertising and the bonding of recognized dealers, the Pennzoil Company, of Oil City, Pennsylvania, has more than doubled its sales outlets in a year. Gallonage also has increased. The campaign, worked out by Hays MacFarland & Company, Chicago, is reported in the oil industry to be one of the most effective ever attempted in that field.

Starting as a localized experiment May 1, 1932, expanding to a group of national magazines, followed by radio, the campaign has been steadily gaining momentum. The tentative program for 1933 includes the *Saturday Evening Post*, *Collier's*, *Time*, *Popular Mechanics* and trade and class papers.

The radio story is being told through the 32 Columbia stations east of the Rockies.

In making an analysis of its potential market, Pennzoil considered:

1—That on one side it had to compete with the great oil chains, which have behind them a reputation of excellent and scientific refining and reliable merchandising.

2—On the other hand, the competition of oil bootleggers and substitutes.

Decision was reached to aim the attack at the latter.

Pennzoil developed the "tough mug." Mask, facial stubble, gun, a hard look. He has become a familiar figure. The copy says:

"Oil bootlegger! Just as much a Thief as if he stole your watch! . . .

"Oil bootlegger! Just as much a Thief as if he used a gun.

"Oil bootlegger! Just as much a Thief as if he wore a mask!"

Then the reader is told that every service station that displays the Pennzoil sign is bonded; that the bond guarantees that any case of substitution discovered means the seller is liable to a forfeit of \$1,000. Any dissatisfied buyer may get his money back, without question, for any purchase made through a regular bonded dealer.

Dealers invited into the Pennzoil fold are subjected, it is claimed, to a careful investigation for reliability. This, explains a Pennzoil executive, is because "you can't tell by looking at a filling station whether it is on the square any more than you can tell by looking at a man whether he is honest."

So the record of the prospective dealer is carefully looked into. After that, his field is studied, checked, analyzed. The Pennzoil man goes to him, and, showing facts and figures, tells him how much oil he should sell. In this way a quota for the dealer is set up. He is advised as to means and methods for attaining this quota.

"Bonding is done by the National Surety Company. Every bonded dealer has his bond, neatly framed, in his place of business. You'd be surprised how many buyers take the trouble to step inside and verify the possession of that bond."

372,284 GM Stockholders

Total number of General Motors stockholders, common and preferred, in the first quarter of 1933 is 372,284. There were 365,985 in the fourth quarter of 1932 and 345,194 in the first quarter of 1932.

Profit Sharing Program Nets 17.24 Per Cent to Squibb Dealers

Retail drug store subscribers to Squibb Plan distributors' preferred shares made average net earnings after taxes and expenses of 17.24 per cent in 1932, announces Carleton H. Palmer, president of the Squibb Plan, Inc., a cooperative profit-sharing program, and of E. R. Squibb & Sons, New York.

The return includes a preferred dividend of 6 per cent on their retailers' net investment, in accordance with the purpose of the plan to provide an assured return without speculative risks. The balance, of more than 11 per cent, represents extra profit sharing distributed to participating dealers in proportion to their direct net purchases of Squibb products.

Mr. Palmer points out that 670 additional stores subscribed to the plan last year.



Believe It or Not, 14,900 Agents Still Can Buy GE Lamp Displays

Fourteen thousand nine hundred lamp agents of General Electric Company, Cleveland, have signed up to pay cash for its 1933 display service. Of this number, an executive pointed out, 8,300 subscribed to the Edison service, 6,600 to the GE.

Considering the times, the company regards this response as stimulating. It is smaller than usual, the executive added, because of the dealers' credit

situation; because the jobbers selling the services for the company have reduced personnel, and because—GE taking a loss on each service sold—"we want to make sure that the agent who subscribes to the service makes very good use of it."

A "Believe It or Not" display by Robert Ripley, the cartoonist, is proving popular. So is a cone cut-out dramatizing "GE."



A VICE-PRESIDENT of Bliss Fabyan & Company Inc., textile selling organization, is speaking:

"Teletypewriter Exchange Service might have been designed especially for the textile industry, it meets our particular problems so exactly. Hand-to-mouth buying in a highly vacillating market requires the closest kind of contact among sales agents, mills and customers. *Teletypewriter Service gives that contact* — and it's saving us a lot of money over former communication methods.

"Suppose a buyer teletypes our office in Chicago, inquiring about goods of a certain kind. The query is re-typed directly into our New York headquarters, in minutes. Then, if it involves matters which one or more mills in Maine or Massachusetts must answer, it is passed on there, and the necessary information instantly gained. This ability to give

prompt replies to buyers is of greatest importance. And Teletypewriter Service provides a flexible and cost-cutting control over mill production and inventories which is invaluable under present conditions."

Wouldn't you be interested in learning more about a service which is saving money for companies in many lines of business? If you will telephone the Business Office of your local Bell Company, a representative will gladly call at your convenience to explain this interesting modern development in detail.

TELETYPEWRITER EXCHANGE SERVICE permits any subscriber to it to be connected at any time directly to any other subscriber to the service, whether he be 300 feet away or 3000 miles across the continent. Both subscribers may typewrite back and forth, making inquiry and reply possible on the same connection.

PRIVATE LINE TELETYPEWRITER SERVICE is used to connect continuously any desired number of points throughout the business day or for periods ranging from one to twenty-four hours. Both services provide speedy, accurate, two-way typewritten communication.



Three of Tire "Big 4" Reduce Lines in Plan to Stabilize Prices

Three of the tire industry's "big four"—Goodrich, Goodyear and United States—have just made drastic changes in their price and merchandising policies, in an effort to end further price-cutting and to pave the way for profits for their dealers and themselves. Firestone, however, has declined to participate.

Third and fourth lines are eliminated, under the new policy, and prices on first and second reduced 20 per cent.

In recent years, the multiplication of lines, coupled with ruthless price-cutting in major markets, has compelled dealers to carry excessive and largely unprofitable stocks, a tire executive explained to this magazine.

Goodrich, first to announce the new policy, pointed out that at least 35 per cent of tire sizes may now be eliminated from dealer inventories.

The new two-line pricing policy, it was said, revises the relative positions of mail-order and standard brand tires.

Heretofore, mail-order price on first-line tires has been 15 per cent under the first lines of standard brands. Second lines of the standard brands have been priced the same as those of mail-order first lines. Third- and fourth-line standard brand prices have been exactly even with second- and third-line mail-order prices.

Under the new arrangement, mail-order prices are only 10 per cent under standard brand first lines, while standard brand second-line prices are 10 per cent below mail-order first line.

In a letter to stockholders, Harvey S. Firestone said:

"The new policy just announced by our competitors gives to the mail-order houses the position they have been seeking for several years, namely, public recognition that their lines and grades of tires are of equal quality and construction to the nationally advertised standard lines and grades of tires, and a consumer price 10 per cent lower than the dealer's price to the consumer." This, he said, "gets away from the Firestone policy, which has been followed by some of the other manufacturers, of having lines and grades of tires for our dealers equal in price, quality and construction to their special brand tires."

ANA Adds Two

Shell Petroleum Corporation, St. Louis, and International Nickel Company, New York, have joined the Association of National Advertisers.

A & P Point-of-Sale Study Shows "Price-Casting" Increases Sales

After spending a lot of money in radio advertising yearly since 1924, the Great Atlantic & Pacific Tea Company, New York, decided last year to ascertain its effects at point-of-sale, and the effects on products on which the price was broadcast as compared with those mentioned without it.

The survey, the results of which are being issued in book form by National Broadcasting Company, was conducted by A & P between last May and November. Increases were based on sales during the week in which each product was featured on the air, compared with its average sale in the previous six weeks. To insure that the six weeks' average was not out of line, this base was compared with sales during the corresponding period of 1931.

To make broadcasting prove its own worth at point of sale, A & P endeavored to keep its other promotional activities at a normal level. In other words, the company made no increases in newspaper advertising or in store displays on the products mentioned over the air.

N.B.C. naturally gives all credit to radio for the sales increases reported here, but as SALES MANAGEMENT understands the matter, the reasonable inference from the data presented is that the broadcast contributed, not so much a definite selling force of its own, but rather a means of stimulating interest in the regular forms of sales promotion employed by A & P. In other words, the value of persistent newspaper advertising and store display was enhanced by the interest in specific items which was roused in

them among listeners to what was said about them in the air.

"Does it pay to quote prices in broadcast advertising?" The answer on eleven different products, from beans and coffees to preserves and gelatin dessert, was "yes" in the form of sales increases during these weeks of from 14 to 222 per cent, as follows:

Product	Per Cent Increase	No. Stores Reporting
Q. M. beans	83	14,666
Coffees	14	10,266
Grape juice	89	14,806
Q. M. ketchup	166	14,448
Encore macaroni	151	14,800
Ann Page preserves..	200	15,393
Rice	186	14,562
Salmon	54	15,108
Blue Peter sardines..	221	12,968
Shrimp and crabmeat	122	14,828
Sparkle gelatin	222	14,549

Though the increase in demand for A & P's three coffee brands during their particular week was only 14 per cent, A & P executives regard this amount of stimulation as impressive, when it is considered that the company now spends about \$1,000,000 a year to advertise coffee in newspapers and that its yearly volume in this product is 200,000,000 pounds, or about one-seventh of the nation's total coffee sales.

Sales of products mentioned with price increased, in more than 14,000 A & P stores, 173 per cent, as against an increase of 29 without it.

In one week broadcasting was responsible for the sale of 1,292,082 more packages of Encore macaroni, or about 87 a store, and 1,283,237 more packages of Sparkle gelatin, or about 90 a store.

Average Family Spent \$959.40 in Retail Stores Last Year, Sales Management Survey Shows

The "Survey of Spending Power," which will be mailed to SALES MANAGEMENT subscribers on April 10, shows that the average family income last year was \$1,414.50, and that \$959.40 of this was spent in retail stores for the same groups of products which the Government surveyed in its 1930 census of retail sales, covering 1929.

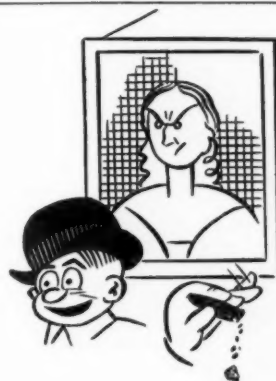
Since the peak year, 1929, incomes have decreased 52.2 per cent, and retail sales 42 per cent. The lesser decline in sales is accounted for by the fact that last year people spent a larger proportion of their incomes for the basic necessities of life—

food and clothing—and also drew on their savings to supplement their incomes.

The Survey gives estimates down to the end of 1932 by states and by counties, for population; passenger cars registered in the class selling at retail for over \$1,000, and for those under \$1,000; retail sales in dollars, by per capita, and by percentage of the U. S. A. total; total spendable money income (industrial, farm and total) in dollars, by per capita, and by percentage of the U. S. A. total. Retail sales estimates are also given for all cities of more than ten thousand population.

Moon Mullins

rates technical K.O. over Mona Lisa
—says Joe Hawley, salesmanager



"NOBODY had to go to business college these last few years to absorb a few general items about commerce. Experience has been kicking us right in the face.

"I remember when the big war cry in these barracks was—broaden the market. Every time it popped out we'd add another magazine to our list, and put on another salesman to get distribution in a few more jerk-water joints. Sure enough, sales went up. But dividends didn't. We had broadened the market, all right, but got no nourishment for the bank account. The more water in the pot the less taste in the soup.

"Like everybody else, we held an inquest. The advertising, being out in the open, was the first point of attack. We figured we were right in line that year to win the Harvard award. A lot of our boys thought our advertising was swell. They annexed the original oils to hang up in their summer cottages—where you'd never guess the pictures once had an illicit affair with advertising. We didn't even have to apologize to the advertising students at the state university for our de luxe publicity.

"BUT it occurred to someone that there might be people who didn't appreciate fine art. The front office began to quote statistics on the American preference for the Moon Mullins technique over Mona Lisa, and the advertising department got hell. They took the light off me long enough to discover that we were losing money by making sales in scattered precincts and

losing more by missing sales in the cities. So we forgot our prestige and got back to selling goods at a profit. And saved a swell factory from being all plastered up with 'For Rent' signs.

"I knew that New York had the most people, and I learned that most New Yorkers read The News. We quit thinking of New York as just another village and went after some of its money. We didn't have to go so very low-brow on our advertising, either, because News rotogravure does a swell job. Our art sticks closer to the product and the product sticks closer to the people. And

the boys with the summer cottages have been so glad they still have good jobs that they forget to ask for the art."

MANY manufacturers now know that scattered customers are costly friends—and that the big city markets come first in times like these when business is hard to find. And that the New York market with its concentrated, better than average income millions, comes first in selling effort!

The New York market is the best in the world today—on all counts. It has more people with more money more outlets and more opportunities. And it has one great adequate economical advertising medium in the Sunday News! The Sunday News delivers almost a million copies in New York City proper, and reaches 26% or more of the families in 94 other cities of 10,000 or over (1930 Census). Alone The News is a regional medium strong enough to influence dealers, make sales and make salesmen more productive in this market.

Concentrated coverage, high visibility, low cost—in the best market in America. Can you afford to do without it this year?



THE NEWS
New York's Picture Newspaper

220 EAST 42nd STREET, NEW YORK

Tribune Tower, Chicago + Kohl Building, San Francisco

MEMBER OF METROPOLITAN SUNDAY NEWSPAPERS

Studebaker Receivers Aid Promotion First

Voluntary receivership entered into by Studebaker Corporation, March 18, in an effort to straighten out financial matters connected with its affiliation with the White Company, motor trucks and coaches, will not bring to an untimely end Studebaker's 81-year life.

The first consideration of the receivers appointed by the Federal court, one of whom is Paul G. Hoffman, vice-president in charge of sales of the corporation, is sales promotion and advertising. The court has authorized the expenditure of \$90,000 in advertising in March, and at least \$25,000 in April.

Studebaker and Rockne shipments during the first half of March were 600 cars. A thousand orders were on hand from dealers March 21, a great many of whom have wired pledges of support.

Launch Personnel Service for National Distributors

National Sales Board, sales personnel service for national manufacturers and distributors, with general offices at 176 West Wisconsin Avenue, Milwaukee, and district offices in 27 other cities, has been inaugurated under the direction of R. J. Willetts, former head of the National Clerical Bureau, Milwaukee.

The board, says Mr. Willetts, "makes it possible for a manufacturer or other distributor in any NSB city to secure a territorial distributor, manufacturer's agent, crew manager or sales crew. This may be done through a local employment agency or by correspondence with the home office.

"These conservative placement organizations will handle high-grade commission openings as well as salaried positions."

E. H. Little to Direct Colgate Sales Plans

E. H. Little, a director of Colgate-Palmolive-Peet Company, Chicago, has been elected vice-president in charge of sales and advertising, to replace Felix Lowy.

S. Bayard Colgate, formerly a member of the executive committee, has become president on the promotion of C. S. Pearce to chairman of the board, of which A. W. Peet is now honorary chairman.

Grimes Helps to Organize Confectionery Jobbers

J. Frank Grimes, of Chicago, president and founder of the Independent Grocers' and Independent Druggists' alliances, has become "executive adviser and consultant" of the Confectionery Jobbers' Alliance, just formed there to embrace candy distributors of seven middle western states. The alliance will introduce a program dealing with buying, advertising and merchandising, and other activities for confectionery products.

Hilmer V. Swenson Company, Chicago, will direct activities through the CJA headquarters at 1801 Bryon Street. W. T. Hawkins has joined Swenson as general manager of the CJA.



J. F. Ditzell

Majestic Combines Radio and Refrigerator Forces

Coincident with the merging of its radio and refrigerator sales organizations, B. J. Grigsby, president of Grigsby-Grunow Company, Chicago, announces a new executive set-up, headed by LeRoi J. Williams, who succeeds D. M. Compton as executive vice-president and general manager. Mr. Williams, as the company's counsel, led the legal battle against the radio "trust," which was successfully concluded last fall.

John F. Ditzell becomes assistant vice-president and general sales manager. Recently he has been assistant vice-president in charge of the refrigeration division.

A conference and sales-school of the company's field men were held in Chicago the week of March 6 to inform them of their widened responsibilities.

Artificial Circulation Fought by Four A's

The American Association of Advertising Agencies is aiding the efforts of the Association of National Advertisers against high-pressure methods of some publishers in getting circulation.

In a letter to members, John Benson, president, says:

"Some smaller newspaper publishers have suggested the idea of pulling out of the Audit Bureau of Circulations and of setting up state audit systems of their own. If this idea spreads, it might prove serious.

"The A. B. C. is *our* bulwark of sound value, but it is being paid for by the publishers four to one. . . .

"Let us minimize these risks by appreciating the publisher who is satisfied to let his circulation seek a natural level, and who makes available to us, through A. B. C. reports, the information we must have for the intelligent purchase of space."

Gorham Boosts Budget in Sterling Campaign

Not merely "patterns" but the desirability of owning Sterling are being emphasized by the Gorham Company in 1933, with a space appropriation 65 per cent larger than that of last year.

With Gorham Sterling, F. Wallis Armstrong's copy explains, the housewife may make a modest start on her Sterling service in her favorite pattern, and build gradually. "She can always be sure of getting additional pieces in the original pattern."

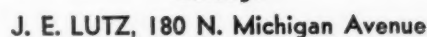
Tunisian Dealer Maintains Caterpillar Leadership

In 1932, as in 1931, *Etablissements P. Parenin*, of Tunisia, North Africa, sold more products of the Caterpillar Tractor Company, Peoria, Illinois, than any other dealer in the world, including the United States, J. D. Fletcher, export sales manager, tells this magazine.

M. Parenin's progress in the last thirty years has been through price uniformity to all customers (in a land where no deal is a good deal unless you beat your customer) and through service.

Few salesmen are employed. Every delivery of a combine, tractor or road machine is made a gala event for that community. M. Parenin carries it out as ex-actingly as a religious ritual.

r



IDEA OF THE CENTURY!

page of every leading newspaper, magazine, and roto section—even on the stage, screen and the air!... Here's something that happens only once in a lifetime. Take advantage of it! Don't miss it. Don't waste time in "tests" or "getting bids". We have experience. We have more startling NEW ideas. We can produce them — quickly — at low cost. Let's both get busy. LET'S GO!



P. S. Another Einson-Freeman idea wins First Award in Display Container Division — American Management Association Packaging Competition

The Plan Behind Monarch's Success

(Continued from page 319)

of these same leads for their better salesmen. The management refused this, pointing out to these sales managers that their overriding commission is given them as a reward for proper management of their groups, and until their groups were up to quota the better salesmen would be penalized. This had the expected effect because in a few days several of the good producers in the groups which had not reached quota asked to be transferred to sales managers whose quotas had been attained. This policy, therefore, places the burden on the sales manager in the most direct fashion imaginable. He must help his good salesmen get sales or he loses them.

Executives Come From Ranks

Making the sales manager come up through the ranks and giving him authority only by virtue of his ability to keep it entirely through his own efforts not only makes sales, but maintains a spirit of keen competition between groups. It has also upset many practices long considered standard in sales management. Some of the contrasts in our groups are dramatic. Several of our best salespeople and sales managers are women who have both women and men of all ages under them. One of our sales managers is a former soda jerker who is making a fine producer out of one of his men who is old enough to be his grandfather.

I mentioned at the beginning of this article the complete divorcing of the "desk" side of sales management from the active, sales-getting function. During the early weeks of our operation the sales managers were responsible not only for the actual handling of the salesmen in the field, but for giving out leads, and taking care of repossessions of demonstrator typewriters from salesmen who had been unable to make good. We quickly discovered that the handling of such detail handicapped these men by robbing them of too much time they might be spending in the field working with their men and contacting new prospects. So we set up one executive department under a salaried employe to handle leads and take the full responsibility for repossessions for the entire organization. This left the sales managers with no excuse for staying in the office. It left them completely free to spend every day in the field doing creative sales work. This has proved to be immeasurably more efficient than the old system.

Nor have we permitted the executive functions of the business to become complicated. Except for secretaries there are only six members of the executive staff in the whole organization who are paid by salary. These are, president, general sales manager, promotion manager and comptroller, personnel manager and a sales liaison officer who travels from branch to branch to assist in training and discharge of other duties. Everyone else in the organization is on commission for direct sales of machines, or on an overriding commission.

Working the sales force on commission is tough on the incompetent salesman, but equally favorable to the man who can sell. Any other method of payment would be out of the question these days. One proof is that we have had several disappointments in men who came to us with fine records but who simply did not prove able to produce sales. In contrast to these we have a former credit man of a large New York company who today is one of our best sales managers and who made the highest record for January and is making more money than he did as a credit man.

Turnover on Sales Staff

Of our staff of 400 salesmen, only about half can be considered producers. To make \$40 or \$50 in commissions a man must make four or five sales a week. A number of our men make much more. Many make less. This may not sound like a very high average, but remember that our company is still less than a year old, and we are still in the formative period. When all of our men have had a year's experience in doing our work, a far higher proportion of them can reasonably be expected to climb into the producer class. Under business conditions which existed, say, in 1928, almost any company in the country expected to carry a new man (usually on a nominal salary) for six months to a year before he even got out of the red.

And so, as we continue our training, we expect to cut our turnover materially. If a man will work according to our instructions, he can usually make good. One curious thing—but perhaps it's not so curious after all—has turned up: the men who were formerly "big shots", who, embarrassed through the vicissitudes of the depression, came to us seeking a job, have almost uniformly failed. They knew it all. They had attained a cer-

tain rigidity of mind, a certain inflexibility, which they were unable to overcome, in order successfully to learn the new methods demanded by a business world that had undergone radical changes. In contrast, the men who came to us from fields other than selling, men whose only equipment was an earnest and sincere desire to learn, to find a way to make a living in the face of depression, many of these made good. They were open-minded, willing to listen, eager to get their feet on solid ground even though the process involved plenty of hard work.

The "Psychopathic Ward"

To accomplish the job of preliminary sales training, we formerly employed the lecture plan, then developed a written study course. Out of these two evolved the present method which combines lectures and charts through which our basic sales story can be told to groups of new men in two and one-half hours.

We obtain salesmen by means of want ads in the newspapers, contact with state employment agencies, and through our own sales force. To stimulate this latter salesmen-getting activity we have a plan we call "Emgam," which means "every member get a member." After the two and one-half hour lecture, which gives the salesman the basis of our sales story, he is assigned to a sales manager, who takes him out in the field to show him how sales are made. The salesman is then given a demonstrator typewriter and is sent out by his sales manager. If he hasn't produced an order at the end of the first week he is retrained. If, after this retraining, he still is not able to produce an order at the end of his second week with the organization, he is reassigned to another sales manager. If, under this new sales manager's direction and stimulation, he is not able to produce, he is assigned to what we call the "psychopathic ward," which is made up of hopeless cases. These are handled by the general sales manager, Miss Edith Gordon. Since each of these cases is special, there is no rule as to how long it takes to cure a psychopathic case, or how long before these salesmen are dropped.

The salesman is expected to devote his mornings to securing leads from customers and to cold turkey prospecting. He is helped in this work by our *Wigwam Magazine*, which is a four-page, standard size publication, sent to owners of Monarch typewriters and their friends. This magazine ties up closely with the Wigwam Club idea—a promotion idea which makes owners of the typewriter charter members of the Wigwam, with authority to organ-

ize local Wigwams and get nine members to buy Monarch typewriters. This Wigwam Club is made tangible by the fact that every Saturday afternoon in the New York office, a group of real Indians put on a show.

Tickets, though marked at 25 cents for the adult and 15 cents each for the children, are given customers free. Friends brought in this way serve as new prospects. These weekly shows serve also as an aid in making collections. Many instalment payments are offered voluntarily at the time of the meetings; Saturday, March 4, for example, \$120 was collected. As many as 800 have attended these shows in one afternoon.

Another major source of leads is the radio broadcasting: Cowboy Tom's Roundup is the program which perfectly complements in child appeal our own Indian Wigwam. Listeners are told to write to Cowboy Tom and discover how they can own a portable typewriter for only ten cents a day. Letters received by this method are turned over to the salesman for follow-up.

The sales force is stimulated continually by contests of short duration so that their stimulating effect is ever fresh. The latest gives a \$25 merchandise order in any store of the salesman's own selection to the highest salesman among those who have averaged more than five sales a week, and a \$12.50 merchandise order to the highest salesman among salesmen who have sold less than five machines on an average per week since January 1. Besides such special contests there is a continual contest putting salesmen and sales groups into three classes—gold star, silver star and donkey class. From time to time, the general sales manager stimulates sales managers and salesmen by making personal bets with them. The ratio of these bets depends upon their past sales performance. Thus the salesman or the sales manager bets that he or she will make so many extra sales. If he or she wins, the sales manager gives the special commission. If he loses, he or she pays the organization a penalty.

A weekly house organ, *Monarch Message*, keeps the sales force aware of contest standing. Plenty of charts do the same job more graphically in the sales offices.

Because the buzz-buzz of sub-rosa complaints are bad for any sales organization's morale, we urge all complaints to be made in the open before the party complained about. Thus, every salesman has the opportunity to air his views. Too, twice weekly sales managers' meetings on Tuesday and Friday are not pep lectures but discus-

sions with everyone present expected to take part and share experiences.

That the present total of almost 4,000 typewriters sold since the start of the organization on July 1, 1932, is not a fluke, is proven in part by the statistics of the past few months. In

Travel Costs Drop in South

(Continued from page 327)

of almost any other eastern railroad to go from Chicago to the Twin Cities on the Pioneer Limited, return on the Black Hawk Limited, go to Omaha on the Ak-sar-ben, get over to Kansas City, and come back on the Golden State Limited.

"No matter what their degree of self-satisfaction, they could not fail to learn a lot about equipment, service and meals—especially meals. . . .

"Five elements have combined to put the railroads in trouble. The public itself; its representatives in State and Federal legislatures; its regulatory commissions; the bankers; and the railroads themselves.

"Carried just a little further, this combination will completely wreck the railroad structure; the Government will have to take it over; we will have a great, wasteful bureaucracy, a high cost of operation, worse service than the worst we get today, and a huge annual deficit for the taxpayer to meet—a postal deficit multiplied many times.

"Let's by all means try to show the railroads, as you have done, ways and means by which they can serve the public and themselves as well."

SALES MANAGEMENT foresees the danger Mr. McDermid has so ably cited. We believe, however, that the present crisis in the railroad industry will result—just as our national banking crisis will result—in a peaceful revolution, a type of change which will prove of lasting benefit to the railroads and to the country at large.

The merit of the product the railroads have to sell—and we speak now of travel generally, rather than any specific form of service—has far too long gone unexploited. The railroads and the automobile industry have one priceless asset in common: the basic urge on the part of all human nature to travel, the desire to go places, see things, enjoy new sensations. The great difference is that the automobile industry has made something out of this capital, while the railroad industry, on account of its lamentable lack of sales-mindedness or consumer-consciousness—call it what you will—has scarcely scratched its possibilities.

The above discussion is by way of making clear the broader picture of the railroad problem as it is related to the specific matter we have been discussing in this magazine since July of last year—namely, the need for a quantity mileage rate which would enable manufacturing and distributing concerns again to travel salesmen at a

November, when sales really started, almost 1,000 machines were sold. December added almost 1,400 more. After Christmas buying, sales dropped to 700 in January and have gone up to 800 in February, with March coming in stronger.

cost not prohibitive under present conditions. And—by no means a secondary consideration—which would automatically help the railroads to regain a share of their lost freight revenue.

Such a rate is now available in the West through scrip books placed on sale February 1.* While the eastern roads have been discussing the idea for many weeks, they are still unconvinced that it would be profitable for them to establish the same plan in the East.

SALES MANAGEMENT has already printed scores of letters from company officials whose statements prove that the western roads are deriving great benefits from their scrip book policy, both in increased travel of men now in the field and in the transfer of motorized sales forces back to rail travel. All voice the need for a quantity mileage rate in the East and indicate that the same benefits would accrue to the eastern roads.

Yet their demands are thus far unheeded on the part of the New York Central and the Pennsylvania, the key roads in the Trunk Line Association, and the roads serving New England.

This is what we mean when we say the railroads are lacking in sales-mindedness and consumer-consciousness. Such a chorus of consumer-demand, such a voicing of dissatisfaction with present policies, from those who buy so many millions of dollars' worth of transportation of some kind in a year's time, would send the boards of directors and active management heads of General Motors or American Tobacco—were it happening to them and to their product—into a program of action that would shake the countryside for miles around.

. . . But the voice of the consumer doesn't mean much to the railroad industry. Not yet.

But eventually it will.

*See "Western Scrip Books Go Like Hot Cakes; One Road Sells 2,500,000 Miles in February," March 15 SM, and previous articles dealing with the same subject.

(More letters from company officials will be printed in the next issue.—THE EDITORS.)

Texlin Triples Sales

(Continued from page 327)

colors (a total of 18 colors) it failed completely to indicate the color of the contents of the package.

"Just how good is your tissue, as compared with others, Mr. Benson?" the artist made bold to query.

"Why not let the Pittsburgh Testing Laboratories make a scientific test of your product, and use its report as a testimonial for consumers? We can put their statement right on the package, if your tissue is as good as you think it is."

Mr. Benson clicked at once to the suggestion. He was more than willing to submit his product to the scrutiny of the microscope and the test tube—and he could see in an endorsement by the Pittsburgh Testing Laboratories a distinct selling asset.

The endorsement came through, and now comprises the message on one of Mr. Ullman's six "selling areas."

The three colors on each package were reduced to one—with the result that the trade name Texlin has more visibility than it ever had before, and production costs were cut 66 per cent by savings in ink and press runs. Also one stylized design services an entire line. The package now looks the part of a high-grade, hygienic product, fresh, smart, modern.

"When the first runs of the new package were off the press," reports Mr. Benson, "we tried it on the most alert of the Woolworth buyers. One of the key men in the organization was so enthusiastic over it that, on his own volition, he wrote a letter to the buyers of all the Woolworth stores, recommending that they list Texlin, because, in his opinion, it was destined to be a profit-maker."

"The result is that we now have complete 100 per cent distribution throughout the 15 Woolworth zones. The new package has won favor with store managers, so that they give it more display than Texlin ever got before."

"Personally," continued Mr. Benson, "of course I am pleased with such things as sales increases and cuts in production costs. In the six months' period following the introduction of the new package our sales jumped 357 per cent. In January, 1933, they exceeded the sales of January, 1929, our peak year. But what I get the biggest kick out of is the knowledge that this step has enabled me to increase my payroll. We have increased the number of our employees. We're working six days a week, and paper mills are working seven days a week to supply us."



H. P. SOMERVILLE
Managing Director

New

in Appointments,
and Management

Friends of The Willard throughout the country will be interested to learn that their favored hotel has added new luxuries in furniture and decoration. Its distinguished tradition is carried on by the same owners, under new Management.

Center of Washington Social
Life . . Convenient to Shopping,
Theatre and Financial Districts
. . and all Government Buildings.

The WILLARD

Pennsylvania Ave. at 14th Street
WASHINGTON, D. C.

Shotland & Shotland Men's Tailors

15 W. 45th St.  New York, N. Y.



Successful Business Men

—select custom-tailored, individually made clothes. They fit better, look better, wear longer, and are therefore the most economical.

Prices Within Your Budget

Samples of clothes
and style booklet
sent on request.

BARGAINS IN LUXURY



For as little as \$3.00 a day you can enjoy the luxury and Minute Man Service of this famous hotel. Located in the smart Grand Central Zone, one block from Park Avenue. Restaurant prices are amazingly economical, too—luncheon 65c and dinner with dancing, \$1.00.

HOTEL LEXINGTON

48TH AND LEXINGTON AVENUE • NEW YORK
Under Ralph Hitz Direction • Chas. E. Rochester, Manager

Book-Cadillac, Detroit, and Van Cleve, Dayton, also under Ralph Hitz Direction

C o m m e n t

CLOSED MINDS AND LOST OPPORTUNITIES:

The leading article in this issue tells a heartening, thrilling story—the story of a company that started on a shoestring last July and built a business on portable typewriters so rapidly that they are now selling more than 800 machines a month. . . . In building the force of commission salesmen which make up this organization, Walter Drey hired a number of men who had formerly held positions of high executive rank. These men had, in some instances, been without employment for two years or more, and, despairing of finding other front-office, high-salaried berths, had finally been forced to hunt a job doing straight selling. Mr. Drey tells us that in every single instance these men failed to make good. In striking contrast, many men were hired who had had little or no selling experience, who had come from the trades, from low-monied white collar jobs, or routine work of non-creative character. These men, too, had been out of jobs for a period of time which had reduced them to straitened financial circumstances. But many of these men made good. They joined the organization, glad of the opportunity to *try*, thankful of *the chance to learn*. They had been schooled in *taking* orders, not spoiled in *giving* orders. Some of them are making a far better living now than ever in their previous capacities. . . . The former "big shots" failed in their attempt to do straight selling possibly for the same reason they failed to hang on to their executive positions of 1929. *They had closed their minds*. They had come into the belief that their experience was all-encompassing, their knowledge, all-embracing. For them, there was nothing more to learn. . . . When a business man's brain, on his attainment of some small degree of success, stiffens like so much concrete and becomes incapable of further absorption of knowledge, that man is through. He has bankrupted his capacities. He has killed his future.

THE BANKING SITUATION: The purchasing power of the public and the purchasing power of the dollar affect marketing so intensively these days that it is impossible for executives responsible for sales to ignore economic and financial influences, so greatly do they affect ability to increase sales and decisions with respect to determining types of products and the sale price thereof. . . . President Roosevelt has gone a long ways toward restoring public confidence in America and in the banking system. However, what has happened in the banking field has actually accelerated rather than stayed the deflation movement. It is estimated that because of closed banks alone several billions have been removed from the credit structure, and, therefore,

from the realm of potential purchasing power. . . . In addition, many banks are working on a restricted basis. Also, relatively few new loans will be made for a considerable time to come by the fully opened banks. Many of them have extensive borrowings from R. F. C. and hence will continue to make intensive efforts to collect what is owed them so that they, in turn, can reduce their borrowings. . . . The plain truth is that there is little background for credit expansion via bank loans, and, on the contrary, the contraction which occurred in March is of very large proportions as measured in dollars of deposit alone—and, of course, we must also consider the velocity of deposits in their circulation when considering the effect on the purchasing power of the dollar and of the American public. The effect of this new deflationary movement very possibly will prove to be a substantially adverse factor in security prices as a whole and commodity prices as a whole, and, therefore, a further destructive influence as regards the balance sheets of our banks, insurance companies, etc., and a further demoralizing influence on our debt structure, tax structure, wage structure and employment volume. . . . The rabid anti-inflationists and the radical inflationists should compromise on a plan for controlled reflation of a constructive character.

ADVERTISING POLICY: Arno B. Reincke, head of Reincke-Ellis-Younggreen & Finn Company, in a recent letter addressed to the American Newspaper Publishers' Association, stated that his organization is now counseling as follows: "Don't base advertising on past sales records alone and don't count on securing business from old sources and old methods alone. For the market today is a new thing. It is not so much an old friend temporarily indisposed as it is a stranger whose friendship you must seek and cultivate. In short, the whole aspect of selling has changed because the personnel of buying has changed. Today the market must be approached as if it were a new market, and yours a new product. If you have kept your story alive through these changing times you are so much to the good—but if you have been 'hoarding' your advertising, you had better begin at once to make up for lost time." . . . There is no doubting that it is mighty difficult for a company to spend money on advertising and other forms of sales promotion when sales continue to shrink and the P. & L. continues to look worse, but there is no gainsaying the fact that a maximum of sales can be realized only by intensive and enterprising selling effort, including a fair pro rata of expenditure for sales promotion and advertising.

Ray Bill

Frigidaire Makes Hay on Holiday

(Continued from page 323)

as low as \$35 a week—that their products were necessities in the home.

New lines, greater food storage and ice cube capacity and other features are helping this end. So is the price of the four-cubic-foot model—\$96, installed (only freight to be added). But an equally significant sales point is the fact that this model, with only 20 horsepower motor, operates at the cost of one electric light bulb.

"In no sense, however, is it a 'loss leader,'" Mr. Newell explained. "To attract dealers and their salesmen toward this model and toward the entire line, we are raising profit margins.

"The leading companies in our industry," he continued, "have been too backward in pricing their products to meet with the interests of their dealers and consumers. Until last year they assumed (despite the decline in people's incomes) that approximately \$200 was the lowest price at which an electric refrigerator should be sold. For the larger models they took all they could get. The reduction in price of the smaller models, though stimulating the sale of these, handicapped retail salesmen by making the gap to the higher-priced models almost insurmountable. Even people of moderate income sometimes have large families and need more refrigeration space, but the difference in price for a few extra cubic feet was usually more than they could pay. The salesmen failed to get this extra commission.

"This year, therefore, we have cut out the high prices entirely. Though our four-cubic-foot model is \$16 less than the lowest-priced similar model of last year, the others have been reduced even more drastically. The nine-foot model of the Frigidaire super series line—which is the DeLuxe line—now sells for \$274; the 12- for \$316; the 15-foot for \$394. Of course, the larger models have other features than size.

"We are not ignoring the commercial end of our business. We have a new business building program for the grocer or market installing Frigidaire equipment. Formerly our principal sales argument with this type of prospect was the 'savings' he would incur by installation of Frigidaire equipment. Now, in addition, we are giving him a plan, backed up by national and local advertising, to help bring customers into his store.

"We also have beer-cooling equipment ready.

But the bulk of our opportunities, for the present, being residential, we

are placing most of our emphasis on residential contacts.

"This, too, is in tune with the times. Though the number of our outlets fell off slightly last year, we made considerable progress in lining up department stores. There are now 240 of these on our list; their proportion of our total residential business rose during the year from 2 to 12½. Only 17 per cent is now through public utilities and about 74½ through other retail outlets.

"We believe that the success of our new Frigidaire program will depend primarily on our ability to stimulate these independent outlets and to prove to them the profit-making possibilities in the line. In anticipation of the formal announcement, March 31, we have outlined definite suggestions for them to follow every day during the 'teaser week' beginning March 27, and the widespread general campaign during the month of April. A wide variety of dealers helps are provided.

"In 'teaser week' the new styles, prices and operating economy will be dramatized in copy, without showing the models nor even the name. We have also advised dealers to hold demonstrations at this time before 'key people' in their cities, and, through them, to start a potent 'whispering campaign.' Toward the end of that week we shall mail a four-page rotogravure newspaper to 1,000,000 selected prospects, who are owners of General Motors cars. By the time the announcement is formally made, on Friday, March 31, we believe that a lot of prospects will be ready to learn all they can about our offerings.

"But the dealers' job then will only have begun. Frigidaire being a division of General Motors, we are asking our dealers to get their window posters into the showrooms of GM car dealers in their localities, and in other stores as well. We are showing them how, through Achievement parades, radio broadcasts, 50-50 cooperative newspaper advertising, souvenir 'mystery books,' and other means, they may make a community event of the appearance of the new models and attract a host of new prospects to their stores.

"Our primary job has been to provide our dealers with products which we believe will sell. In these dealer meetings we have been telling in detail how we believe these products can be sold. If their cooperation in attending the meetings, and their enthusiasm, is any criterion, the products will go over."



What kind of Letters

Collect money NOW?

Don't say, "If they haven't got it, they can't pay." Every debtor has **some** money; can meet **some** bills. Will he pay **you**—or "the other fellow"?

You **can** speed up collections NOW. There is a way to get money due you. Learn this secret, and how to use it. Old plans no longer work. Old methods fail. Conditions demand a new technique; a very different handling of credits and collections. It's the **big** problem of a New Era.

Maxwell Droke has been studying this problem closely; gathering **tested** collection letters to **meet the needs of NOW**. You can have the benefit of his findings—a group of 25 amazingly effective collection letters—

SPECIAL OFFER: Send a dollar (cash, money-order or check) with your order for 25 Collection Letters, and we will include **FREE**, a copy of Mr. Droke's book, just off the press, **Collecting Money in These Times**. Remember, 25 Tested Collection Letters **and the book**—all for one dollar! But hurry! This is a Special Introductory Offer. Money back guarantee, of course.

Readers of the "Sales Letters" department in this publication, who are interested in a more comprehensive study of letter principles, will find Maxwell Droke's **Letter Laboratory** of great practical value. This is an eighteen-section portfolio of letter data, indexed for ready reference. It presents and analyzes scores of letters that brought inquiries and orders; letters that opened new accounts and revived old ones; letters that gained the cooperation of wholesalers and dealers; letters that inspired salesmen and agents; adjustment letters; good-will letters—the whole range of business correspondence. The price is \$7.50. We'll gladly send a copy to responsible executives on ten days' approval, or with a money-back guarantee, if remittance accompanies your order.

MAXWELL DROKE

P. O. Box 611-a

Indianapolis, Indiana

Media and Agencies

Trouble Shooters Unite

Stearns, Hopkins & Company, formally launched at 444 Madison Avenue, New York, March 22, is prepared to extend a variety of solace and cooperation to businesses in these difficult times.



Howard B. Stearns

Inspired partly by bankers' need of advice as to how to help companies they finance or control, to make and market products profitably, Stearns, Hopkins has become the liaison unit and administrative headquarters for a group of services. These will maintain their present independence and identity, but will be called in, as need arises, to help S. H. overcome particular problems for particular S. H. clients.

Participating services include Crossely, Inc., in market research; George N. Wallace Company, sales consultants; Riis & Bonner, industrial publicity; William Green, Inc., direct mail; three well-known advertising agencies (their names not to be announced); a firm of public accountants; product and package designers, and others.

Mr. Stearns, who had had a dozen years of experience with Doremus, the then Barton, Durstine & Osborn, and Pedlar & Ryan agencies, began to develop the idea, with three associates, two years ago. He considered the need for providing counsel equipped to do every sort of particular task, and yet to supervise the performance of this task in accordance with the needs of a company as a whole. There should be a general practitioner, he decided, to take a look at the patient's heart, head and lungs before the abdominal specialist got busy on the appendix (which the specialist, and maybe the patient, may have thought to be the seat of the trouble).

Mr. Stearns proceeded to take the idea to 221 executives in various lines of business. All save two expressed approval and usually offered supporting ideas.

With him in Stearns, Hopkins (he is president, at 34) are Townsend Bernhard, sales and management executive, as vice-president and secretary; Stephen W. Hopkins, financial man, v-p and treasurer; Frederick F. Stevenson, v-p of sales; Everett R. Smith, former Fuller Brush and ANA executive, v-p of advertising; Albert L. Adams v-p of marketing, and several others.

The names of its accounts, says Mr. Stearns, will not be announced. "When a client needs advertising, or a new advertising agency," he adds, "this part of our account will be placed with one of our advertising agency affiliates and will be announced as theirs."

"Advertising, however, is the tail of the dog. We are more concerned with adapting products to consumers than consumers to products."

"We shall be paid by clients on a fee

basis, depending on the amount of work to be done.

"We think that our set-up offers balanced planning in two ways: Through administrative supervision by a diversely trained personnel, and through a general advisory council, of a principal from each of our basic affiliates together with some of the S. H. executives."

After-Dinner Market

"Who ever heard of an after-breakfast speaker?" ask 13 evening newspapers in the first of a series of advertisements by Homer McKee, Inc., Chicago. The campaign, conceived by Col. Frank Knox, publisher of the Chicago *Daily News*, emphasizes the receptiveness of PM as compared with AM readers.

The sponsoring newspapers, which have a combined circulation of about 2,000,000, are Buffalo *Times*, Chicago *Daily News*, Cincinnati *Post*, Cleveland *Press*, Dallas *Times-Herald*, Indianapolis *News*, Memphis *Press-Scimitar*, New York *Sun*, Pittsburgh *Press*, Portland, Oregon, *Journal*, Richmond *News-Leader*, San Francisco *Daily News* and Wichita *Beacon*.

The Chicago *Daily News*, incidentally, has received requests for 27,000 reprints of a page advertisement by the McKee agency, titled "Nothing Can Hold Back the Dawn." In a list of people commended for "bravery in action" in 1933—among them "the wife who stuck" and "the banker who protected his depositors"—is "the patriot who has kept his faith in God and in America. . . . The Chicago *Daily News* still believes in the eternal verities—that honest effort still wins its reward, that the never-ending cycle of night into day still persists—and that *nothing can hold back the dawn.*"

Band of Faithful

The morning newspapers, it appears, also believe in the inevitability of the dawn. Some of them also already are making capital of it. The New York *Herald Tribune's* classified girls called up sundry New Yorkers for "expressions of confidence." One hundred eighty-seven of them complied. The *Herald Tribune* ran a full page of them. We forgot to ask Elsa Lang, promotion manager of the paper, about the line rate in this particular case, but assuming 75 cents, the 2,368 lines on that page brought in about \$1,700. James H. Rand, Jr., of Remington Rand, Inc., said: "Our President has given an example of courage and leadership not known in this country since the administration of Theodore Roosevelt." Val O'Farrell, detective, found Mr. Roosevelt to be a "godly and God-given man." The Baldwin Piano Company, "for over 70 years a leader in its industry," had "every confidence in America's institutions and her people." Eddy Duchin, orchestra leader, also had faith. J. P. Muller, advertising agent, cried, "All hail to our President and our Congress!" (which is probably the first time Congress has ever received an approving downpour of hail). And Samuel Cohen, real estate, said he believed this to be the "psychological time to buy real estate."

Ayer's New York Three

For quite a few years James M. Mathes has been manager of N. W. Ayer & Son's New York office, with Gerold M. Lauck and William B. Okie his principal assistants. Now Mr. Mathes, Ayer man for 24 years, has resigned to devote himself to his several directorships, among them Canada Dry Ginger Ale. Mr. Lauck, Ayer partner since 1925 and vice-president since the firm's incorporation in 1929, succeeds him. Mr. Okie, meanwhile, has been



Gerold M. Lauck

elected a director of the company. Mr. Okie is a former sales manager, Mr. Lauck a former advertising manager of American Sugar Refining Company and of the Welch Grape Juice Company.

Fred M. Jordan has succeeded Carl M. Hentz as vice-president of Hanff-Metzger of California, Ltd., in charge of the Los Angeles headquarters. . . . Nobert Beerend, recently of CBS, has become vice-president in charge of radio with Reincke-Ellis-Younggreen & Finn, Chicago agency.

Rebirths

The merger, in February, of R. G. Dun & Company and the Bradstreet Company caused the merger of *Dun's Review* and the *Bradstreet Weekly*, as the *Dun & Bradstreet Weekly Review*. Now—advertising not being so heavy, Quincy Adams, editor, announces that its name has been changed to *Dun & Bradstreet Monthly Review*, and its price to new subscribers 50 cents a copy, instead of 25.

"The last three issues of the *Dun & Bradstreet Weekly Review* . . . constituted a sterile editorial atrocity," says Joseph Stagg Lawrence, until then editor of *Bradstreet's Weekly*. Refusing, however, to "stand idly by wringing my hands in impotent anguish," Mr. Lawrence and the rest of the former staff of the *Weekly* are "carrying on the old publication under a new name, the *Econostat*. . . . The capital has been contributed by a large number of investors in small amounts. It is as independent editorially as any journal that has ever been published." A weekly, the subscription price is \$10 a year.

Futura Goes Modern

George T. Delacorte, Jr.'s Modern Magazines, New York, have acquired the Futura Publications, Inc., increasing the number of their distribution outlets from 950 (the Kresge and Kress stores) to 2,230. Additional chains through which Modern Magazines will be sold are McCrory, McLellan, Murphy, Grant, Scott and Burr.

"Since current rates, based on a circulation of 800,000, will not be increased," points out Mr. Delacorte, "advertisers will be in line for a tremendous bonus."

Modern Magazines are *Modern Screen* and *Modern Romances*.

B & D Film Brings Bigger Orders

(Continued from page 325)

licated in a series of charts.

From its experience in showing this film, Black & Decker has found the ideal method of putting on the show for the jobber's sales force and following up this show so the lessons taught are not soon forgotten.

The meetings are conducted about as follows, with about ten to twelve jobber executives and salesmen present in their home office:

1. A few introductory remarks explaining the reason for the film, and the subject that it covers.

2. The actual showing of the film, which takes approximately one hour.

3. A short talk summarizing the more important sales procedures as dramatized, together with presentation and explanation of sales charts in the "Shooting for Profits" book, and other general remarks that seem appropriate to any particular meeting.

4. Presentation of the particular Black & Decker product on which the company is campaigning at the time.

During the few minutes required to change the last reel (the film is shown in three sections), slips are passed out to each person present for signature of his name and company and position. For the next year each of these names will receive a mailing piece at regular intervals. This mailing will emphasize one sales point in the film and remind the recipient how the salesman in the film successfully handles a given sales situation. Through this campaign, the company has the opportunity of keeping after jobbers' salesmen to sell Black & Decker. Furthermore, each mail contact thus gives the salesman tangible ideas he can use in his daily sales work.

Because of the importance of the picture, it is being shown to jobbers' sales meetings by the company's sales manager and an assistant. These executives carry full sound projection equipment and put on the entire show themselves. Using headquarters' men has been found to be a wise move.

The company secures bookings to show the film by means of personal contact with the jobbers several days in advance by its salesmen in the field. Having about 300 jobber executives see the film at the Detroit Exhibit of the Motor Equipment and Automotive Parts Associations brought in many requests for showings. Several or-

ganizations who have seen the film want to see it again. Letters from executives of jobbing firms which have had a showing are useful in booking other showings. These same letters are effective testimony of the impression the film has made on distributors. For instance, a Washington jobber writes:

"Sometimes we see a moving picture that impresses us during its presentation but few remain clear in detail for even a few days. 'Shooting for Profits' remains as clear in detail as the evening you presented it to us, as it is more intensely interesting to one who is interested in this industry than any of the screen hits that are presented for entertainment. One of my salesmen made the remark, 'If any salesman is not impressed by that picture he should turn in his resignation, as his mind is not on his work.' This ably expressed the thought and I am sure every man in the organization is better able to sell all types of equipment than before he saw the picture."

A jobber in Toledo had this to say after seeing the picture:

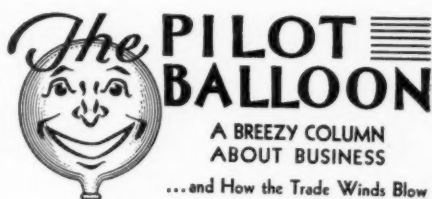
"On the evening of January 6 it was our good fortune to have with our entire sales force Mr. George Stoiber, Mr. Bray and another of your representatives, who gave us the one-hour movie-talkie on Black & Decker products.

"This sales force of over ninety individuals was held spellbound, judging from the extreme quiet that reigned during the presentation. We are positive that this means of presenting your proposition to any sales organization is one of the best, if not the best, with which we have come in contact. It is entertaining, modern and forceful, and we think highly beneficial both to the manufacturer and distributor."

And a Virginia jobber, after seeing the picture at the Detroit show, asks that the picture be shown to his organization. He writes thus:

"'Shooting for Profits' is one of the greatest educational merchandising sales pictures that I have ever witnessed. It is a picture that should appeal to every business person regardless of whatever walk of life he may be in—a picture which holds one's mind throughout. The only regrettable part is that it is too short. At least, that is the way it struck me.

"... I am looking forward to having this picture presented at some future date before our organization."



Conducted by Tom Tell

SCOTTIE

SOME lovers of the Scottie, like Detective Philo Vance, for instance, may take exception to this caricature of the popular breed. But, as a toy balloon novelty this Scottie is popular. He's a "hit" with the children—and a great gift to offer with any product on which you want to increase sales.



\$30,000 IMPROVEMENT IN QUALITY

HY-TEX is the registered trade name given by The Oak Rubber Company, Ravenna, Ohio, to toy balloons manufactured by a new, patented method called the Anode process. Balloons are made by dipping forms or molds into a syrup-like rubber solution. Hy-Tex balloons differ from others in being made from the natural liquid latex, or "milk" of the rubber tree. The older method utilizes coagulated rubber sheets or slabs, which must be "milled" and dissolved in naphtha to make the dipping "cement". The Anode method produces balloons of much greater tensile strength. To make the improved Hy-Tex balloons possible required a \$30,000 investment in special equipment.

Advantages for Advertisers

IN SALES promotion campaigns Hy-Tex balloons produce greater results because (1) they eliminate dissatisfaction due to premature breakage, (2) they inflate larger, giving more for the money, and (3) they provide novel shapes not available in ordinary balloons.

Shoe Sale Stimulus

TWENTY-FIVE thousand children outfitted with "National" shoes were each rewarded with one of Oak's cute kitten balloons.

Help!

THE balloon promotion plan is the method to hail when you want to achieve results at the point of sale.

LISTEN AND LEARN



WOULDN'T you like to know how you can increase sales with toy balloons? Then you ought to listen to Bill German or Dave Coffman or Jim Macnaughtan. Worth-while facts only, are presented

when they set up the visual evidence on your desk, and tell you how and why "Oak" balloons boost business. Worth a half hour or more of your time any day to get a good sales promotion idea.

"Without Obligation"

WHETHER you want a man to call, or prefer information on balloon promotion by mail all you need do is to write to The Oak Rubber Co., 210 S. Sycamore St. Ravenna, O.

a Good Market + a Good Newspaper + Consistent SALES MANAGEMENT Promotion = Gains (even in a depression year!)

In the period since 1869 the publishers of the Indianapolis NEWS have learned how to handle the periodic depressions which sweep the country. The faith and the courage of the founders of that great paper have been carried on by their successors. Even in 1932 the NEWS improved its position in comparative advertising lineage and, in general advertising stood in 6th place among all 6-day evening papers of the country, according to Media Records figures.

14 Years of Keeping at It

SALES MANAGEMENT has gone through two major depressions, and during both the Indianapolis NEWS carried on its promotion advertising with an undiminished schedule. The NEWS has a market to sell and a medium to sell—and the clear thinking heads of that paper know that advertising is a sales tool—and that sales executives are the primary buyers and users of all sales tools. So, for 14 years the NEWS has told its story to SALES MANAGEMENT readers.

"Constant Promotion Is Sound and Effective"

The NEWS, since 1929, has had reason to lose faith in advertising, but it has not lost faith. Its own advertisers, both retail and general, were forced to cut schedules, or at any rate did cut schedules, but the publisher of the paper is reported to have said, "the last thing I'll cut is my sales department."

And Promotion Brought Results

There are 1,533 evening newspapers in the country. In general advertising the Indianapolis NEWS is in 6th place. Among ALL newspapers, including the hundreds which have Sunday issues (the NEWS publishes only 6 issues) the paper is in 23rd place (Media Records figures). Its policy of consistent promotion has paid for itself many times over.

"We Shall Continue to Use SALES MANAGEMENT"

SALES MANAGEMENT'S advertising pages cannot help a newspaper publisher who does not have the two requisites of a good market and a good medium, but with those two ingredients the same formula which brought success to the Indianapolis NEWS will bring success to other publishers.

THE INDIANAPOLIS NEWS
INDIANAPOLIS, IND.



March 4, 1933

Sales Management
420 Lexington Avenue
New York, N.Y.

Attention of Mr. Philip Salisbury, Vice President

Dear Mr. Salisbury:

In entering the fourteenth consecutive year of our advertising in SALES MANAGEMENT, with an undiminished schedule, we reassert our belief that regular advertising contact with your reader audience of progressive sales executives is a valuable and necessary phase of our business promotion activities.

Because The Indianapolis Radius is a two-million population market unusually favorable for the marketing of advertised products, and because The Indianapolis News exerts an extremely powerful selling influence in this market, we have advertised regularly in SALES MANAGEMENT to keep these facts before sales executives.

That our policy of constant promotion effort is sound and effective is evidenced by the fact that in 1932, The News increased its leadership over the other Indianapolis newspapers, increased the number of News-exclusive advertisers in Indianapolis, and also registered important gains in its standing among prominent newspapers throughout the country.

In Automotive advertising -- a very timely criterion of advertising effectiveness -- The News advanced from 6th place to 2nd place among 6-day evening papers, and from 29th place to 8th place among all papers.

Reports by Media Records, Inc., show that in volume of general advertising carried by various newspapers, The News advanced its position in both the 6-day evening field as well as among all papers. Among the newspapers, including 7-day papers, as tabulated by Media Records, Inc., The News finished 1932 in 23rd place and in the 6-day evening field, finished in 6th place.

We regard the stability of our business promotion program as second in importance to the stability of our market and of our product, and we shall continue to utilize the advertising pages of SALES MANAGEMENT to reach the distinct audience of sales executives that your good publication controls.

Sincerely yours,
THE INDIANAPOLIS NEWS

S.G. Howard
Manager Merchandising &
National Advertising

S.G. Howard-s

See page 335 for an example of the promotion advertising which the Indianapolis NEWS has run uninterruptedly in SALES MANAGEMENT for 14 years.



These most valuable booklets of the month will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Radio

173 Per Cent Increase in Sales Proves Power of N.B.C. Broadcast Advertising at Point of Sale in Over 14,000 A & P Stores—In terms of actual sales records available for the test, and thoroughness with which it was conducted, this is one of the significant studies on broadcast advertising of the year. From May to November, 1932, the A & P organization kept records of sales fluctuations resulting from (a) price advertised items, and (b) items mentioned, but not priced, over the air. By maintaining all other promotional activities at their normal level—principally newspaper advertising and store display—radio was put on the spot to prove not only whether broadcast advertising pays in actual sales, but also whether it pays to quote prices in broadcast advertising. (Not, incidentally, the well-known A & P Gypsies program, which is considered of an institutional character, but in the daily food broadcasts.) As described more fully in the news columns of this issue, increases in the sales of the eleven commodities which were priced over the air averaged 173 per cent. Increases in eight additional commodities which were mentioned but not priced in the broadcasts averaged 29 per cent—this latter increase seemingly small in comparison, but one which would satisfy most organizations under present conditions. The study gives detailed increases by A & P divisions and also by each of the products subjected to the test. It is quite naturally hailed as a triumph for N.B.C. broadcast advertising, and since the material originated with the statistical department of A & P, there is every reason for giving due consideration to the story as told by N.B.C. The facts are that radio was used to "plug" priced items—that sales resulted in great volume—and whether radio should get full credit, or should share credit with the normal newspaper and store promotion, serving in its way as an energizer for the whole campaign, is for marketing executives to determine as an important factor in intelligent advertising procedure.

Retailing

Unusual Sales Events for Retailers—This booklet, most recent in the series published by the Policyholders' Service

Bureau of the Metropolitan Life Insurance Company, brings together in simple form plans for thirty novel sales events which have been used by successful merchants. The ideas presented were selected from several hundred reported in the trade press in many fields, and were chosen because they were out of the ordinary and of interest both to large and small stores. If the advancement of effective retailing is linked up with the distribution of your product, it is probable that you will find many ideas here which your field men can and, what's more, will use in their daily contacts with dealers.

Milwaukee, St. Louis, Chicago Lead Displays

Have our national advertisers omniscient powers? They chose Milwaukee as the city to receive the heaviest barrage of window advertising in February, and who knows but what that will pave the way for greatly increased purchases of those products now that the bells are ringing and the Cream City is in a holiday mood over the reopening of its many breweries. New Haven, on the other hand, was neglected. Squibb was the only advertiser in that city to get dominant rating. (See table on page 338.)

Tobacco and drug companies continued to lead the procession, with Wings continuing up with its older brothers in the cigarette trade, and

Beverage Sets

In response to a number of inquiries from subscribers interested in using beverage sets as premiums or sales contest prizes, SALES MANAGEMENT has compiled a list of sources of supply which we shall be pleased to send upon request. Address "Premiums and Sales Contests" Editor.

Camels and Lucky dropping back. . . . Coca Cola continued to drive home the idea that thirst knows no season. . . . In Cleveland and Columbus a new advertiser, Ruloids, Inc., Cleveland, broke into windows with a new laxative which may be headed for national distribution.

Kellogg and Del Monte chose the same cities, with only a couple of exceptions. . . . Another coincidence; Lantene, a contraceptive, has made steady gains for the six months in the number of cities where it has dominant rating, and reached its new high in the month of St. Valentine. . . . The growth of empire of Worcester Salt Company's new tooth paste may be followed by the monthly compilation of dominant displays. Cincinnati, Milwaukee and Newark were new cities added in February.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display. Cash Basis Only. Remittance Must Accompany Order

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty-three years. Send only name and address for details. R. W. Bixby, Inc., 118 Delward Building, Buffalo, N. Y.

TO BECOME OUR SOLE DISTRIBUTOR in exclusive territory and carry on a sales program that is now in profitable operation elsewhere. We require a man of stability, having a successful sales background and ability to organize and direct an effective sales force of several men. Address Nite-Lite Corporation, 24 Verona Street, Rochester, New York.

POSITION WANTED

EXECUTIVE—AGE 39, UNIVERSITY GRADUATE; 15 years' rounded experience sales management and promotion—merchandising and marketing. Able to plan and execute sales campaigns. Valu-

able assistant to president. Available April 15. Address Box 368, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

MAILING LISTS

BEER! BEER! BEER!
Accurate lists just compiled; 2,100 brewers and bottlers. Price: \$12.
Interlocking List Company,
310 Lakeside Avenue,
Cleveland, Ohio

SALES REPRESENTATIVES AVAILABLE

THIS IS THE FIRST TIME THIS OPPORTUNITY HAS BEEN OFFERED

If you are desirous of increasing your sales in Chicago or Kansas City we can place manufacturers in touch with reliable sales representatives capable of obtaining maximum results. Our plan and service will eliminate all risk and cost on your part aside from regular sales commission. The plan could also include billing, invoicing, receiving, shipping and collecting service. Without obligation or cost to you we will gladly counsel with you and furnish full details. Address Box 367, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

PHOTOSTATS
COMMERCE
PHOTO-PRINT CORP.
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